



Republic of the Philippines
COMMISSION ON AUDIT

2019 ANNUAL FINANCIAL REPORT

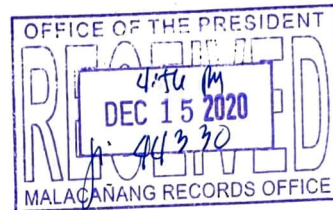
**National
Government
Volume I**



Republic of the Philippines
COMMISSION ON AUDIT
OFFICE OF THE CHAIRPERSON

MICHAEL G. AGUINALDO
Chairperson

December 14, 2020



President RODRIGO ROA DUTERTE
President of the Philippines
Malacañang, Manila

Dear President Duterte:

Pursuant to Section 4, Article IX-D of the Constitution of the Philippines, I have the honor to submit the FY 2019 ANNUAL FINANCIAL REPORT for the NATIONAL GOVERNMENT (Volumes I and II) showing, among others, the financial position as at December 31, 2019, and financial performance, changes in net assets/equity, cash flows, comparison of budget and actual amounts and notes to financial statements for the year then ended.

Very truly yours,



Republic of the Philippines
COMMISSION ON AUDIT
OFFICE OF THE CHAIRPERSON

OFFICE OF SENATE PRESIDENT
VICENTE C. SOTTO III
RECEIVED BY: LYN AJSHEENA S.
DATE RECEIVED: 15 DEC 2020
11:25 am

MICHAEL G. AGUINALDO
Chairperson

December 14, 2020

Honorable VICENTE C. SOTTO III
President, Senate of the Philippines
GSIS Building, Financial Center
Diokno Boulevard, Pasay City

Dear Senate President Sotto:

Pursuant to Section 4, Article IX-D of the Constitution of the Philippines, I have the honor to submit the FY 2019 ANNUAL FINANCIAL REPORT for the NATIONAL GOVERNMENT (Volumes I and II) showing, among others, the financial position as at December 31, 2019, and financial performance, changes in net assets/equity, cash flows, comparison of budget and actual amounts and notes to financial statements for the year then ended.

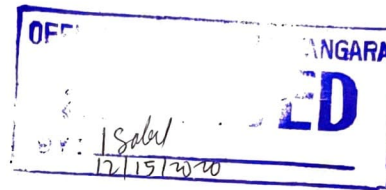
Very truly yours,



Republic of the Philippines
COMMISSION ON AUDIT
OFFICE OF THE CHAIRPERSON

MICHAEL G. AGUINALDO
Chairperson

December 14, 2020



Honorable JUAN EDGARDO M. ANGARA
Chairperson, Committee on Finance
Senate of the Philippines
GSIS Building, Financial Center
Diokno Boulevard, Pasay City

Dear Senator Angara:

Pursuant to Section 4, Article IX-D of the Constitution of the Philippines, I have the honor to submit the FY 2019 ANNUAL FINANCIAL REPORT for the NATIONAL GOVERNMENT (Volumes I and II) showing, among others, the financial position as at December 31, 2019, and financial performance, changes in net assets/equity, cash flows, comparison of budget and actual amounts and notes to financial statements for the year then ended.

Very truly yours,



Republic of the Philippines
COMMISSION ON AUDIT
OFFICE OF THE CHAIRPERSON

MICHAEL G. AGUINALDO
Chairperson

December 14, 2020

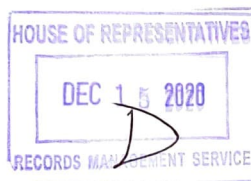
Honorable LORD ALLAN JAY Q. VELASCO
Speaker, House of Representatives
Batasang Pambansa Complex
Batasan Hills, Quezon City

Dear Speaker Velasco:

Pursuant to Section 4, Article IX-D of the Constitution of the Philippines, I have the honor to submit the 2019 ANNUAL FINANCIAL REPORT for the NATIONAL GOVERNMENT (Volumes I and II) showing, among others, the financial position as at December 31, 2019, and financial performance, changes in net assets/equity, cash flows, comparison of budget and actual amounts and notes to financial statements for the year then ended.

Very truly yours,

A handwritten signature in blue ink, consisting of a series of loops and a long horizontal stroke, followed by a small circular mark.





Republic of the Philippines
COMMISSION ON AUDIT
OFFICE OF THE CHAIRPERSON

MICHAEL G. AGUINALDO
Chairperson

December 14, 2020

Honorable ERIC G. YAP
Chairperson, Committee on Appropriations
House of Representatives
Batasang Pambansa Complex
Batasan Hills, Quezon City

Dear Congressman Yap:

Pursuant to Section 4, Article IX-D of the Constitution of the Philippines, I have the honor to submit the FY 2019 ANNUAL FINANCIAL REPORT for the NATIONAL GOVERNMENT (Volumes I and II) showing, among others, the financial position as at December 31, 2019, and financial performance, changes in net assets/equity, cash flows, comparison of budget and actual amounts and notes to financial statements for the year then ended.

Very truly yours,





FY 2019

Annual Financial Report

National Government

Volume I

EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

Legal Framework

The Commission on Audit (COA) prepares the Annual Financial Report (AFR) for the National Government (NG) in compliance with its mandate under the 1987 Philippine Constitution and Presidential Decree (P.D.) No. 1445, otherwise known as the Government Auditing Code of the Philippines.

Section 4, Article IX-D of the 1987 Philippine Constitution states that the COA shall submit to the President and the Congress, within the time fixed by law, an annual report covering the financial condition and operation of the Government, its subdivisions, agencies, and instrumentalities, including government-owned or controlled corporations, and non-governmental entities subject to its audit, and recommend measures necessary to improve their effectiveness and efficiency. It shall submit such other reports as may be required by law.

Further, pursuant to Section 41 (1) of P.D. No. 1445, the Commission shall submit to the President and the Congress not later than the last day of September of each year an annual report on the financial condition and results of operation of all agencies of the government which shall include recommendations of measures necessary to improve the efficiency and effectiveness of these agencies.

The Government Accountancy Sector (GAS) is tasked to prepare the AFR for the NG pursuant to COA Resolution No. 2013-021 dated November 20, 2013, the Restructuring of the GAS of this Commission.

The COA, through COA Resolution No. 2014-003 dated January 24, 2014, prescribed the adoption of the Philippine Public Sector Accounting Standards (PPSAS), which are aligned to the prevailing International Public Sector Accounting Standards. The implementation of the PPSAS aims to enhance the quality and uniformity in financial reporting by Philippine public sector entities, and to ensure accountability, transparency and comparability of financial information with other public sector entities across the globe. Consequently, COA issued COA Circular No. 2015-007 dated October 22, 2015 prescribing the use of the Government Accounting Manual (GAM) for National Government Agencies (NGAs) that provides updated accounting guidelines and procedures to implement the PPSAS and other pertinent accounting rules and regulations.

Objectives

This AFR is prepared to provide essential information on the financial position, financial performance, changes in net assets/equity, cash flows, and comparison of budget and actual amounts of NGAs. It also provides information on appropriations, allotments, obligations, disbursements, unreleased appropriations, and unobligated balances, as well as the summary of the results of audit, specifically audit opinions on the fairness of presentation of the financial statements (FSs) and significant audit recommendations on economy, efficiency, and effectiveness of operation of NGAs.

The financial information serves as useful tool for the President, as overall head of the government; the Congress, in the promulgation of laws and in performing its oversight function in the budget process; other oversight government agencies; and heads of agencies, for sound decision towards efficient and effective utilization of government resources and delivery of services to the public.

The AFR also caters to the information needs of the public, in consonance with the fiscal policy of improved transparency and public accountability.

Contents

The AFR is composed of two volumes. Volume I is composed of the following parts:

Part	Particulars
I	Financial Highlights
II	Appropriations, Allotments, Obligations, Disbursements, and Balances
III	Current Surplus of the National Government
IV	Financial Statements
V	National Government Debt
VI	Summary of Audit Opinions
VII	Significant and Common Audit Observations and Recommendations
VIII	Consolidated Audit Observations on Gender and Development

Volume II presents the detailed FSs of the NG by department, including pertinent supporting schedules by agency.

Financial Highlights

The aggregate amount of the NG's assets, liabilities and net assets/equity for FY 2019 amounted to P6.716 trillion, P8.424 trillion, and negative P1.708 trillion, respectively. In comparison with FY 2018 balances, total assets increased by P400.16 billion or 6.34 percent, total liabilities increased by P396.00 billion or 4.93 percent, and the negative balance of net assets/equity increased by P4.160 billion or 0.24 percent.

For FY 2019, total revenue of the NG amounted to P3.200 trillion, posting an increment of 10.40 percent from FY 2018 of P2.898 trillion. Total current operating expenses amounting to P2.970 trillion increased by 11.68 percent compared to previous year's amount of P2.659 trillion, resulting in a surplus from current operations of P229.81 billion. A net surplus of P224.32 billion was realized after adding the negative net financial assistance/subsidy from/(to) NGAs and financial assistance from LGUs and GOCCs of P83.45 billion, losses of P20.91 billion, and the total non-operating income of P98.87 billion to surplus from current operations of P289.81 billion. This surplus is higher by P192.95 billion or six times more than the FY 2018 balance of P31.37 billion.

Net cash provided by operating activities and financing activities in FY 2019 amounted to P367.02 billion and P233.53 billion, respectively, while net cash used in investing activities amounted to P783.57 billion, resulting in a net decrease in cash and cash equivalents of P183.02 billion. After adding the negative effects of exchange rate changes

of P6.40 billion and the beginning balance of P879.15 billion, the cash and cash equivalents of the NG at the end of FY 2019 amounted to P689.73 billion.

For FY 2019, the final budgeted receipts of P4.177 trillion decreased by P868.33 billion compared to the original budgeted receipts of P5.045 trillion. However, actual receipts of P4.054 trillion was lower by P122.37 billion than the final budgeted receipts.

The final budgeted payments of P4.401 trillion increased by P552.72 billion from the original budgeted payments of P3.849 trillion. Actual payments of P3.581 trillion was lower by P820.74 billion.

Appropriations, Allotments, Obligations, Disbursements, and Balances

For FY 2019, the NG had total appropriations of P4.582 trillion; total allotments of P4.331 trillion; total obligations of P4.105 trillion, of which P27.07 billion was not covered by allotments; and total disbursements of P3.580 trillion; thus, leaving an unreleased appropriations of P251.12 billion, unobligated allotments of P253.36 billion, and unpaid obligations of P524.08 billion.

Current Surplus

The Current Surplus of the NG is the net balance of the combined figures of the following components: unappropriated surplus, unreleased continuing appropriations, unobligated continuing appropriations, and overdraft in allotments.

The overall beginning balance of the Current Surplus as at January 1, 2019 amounted to P1.431 billion, broken down as follows: unappropriated surplus – P1.148 trillion, unreleased continuing appropriations – P90.39 billion, unobligated continuing appropriations – P193.74 billion, and overdraft in allotments – P724.68 million. For FY 2019, after adding the aggregate revenue of P2.997 trillion and borrowings of P1.057 trillion to the overall beginning balance of P1.431 billion and deducting the total obligations of P4.105 trillion, the overall ending balance of the Current Surplus as at December 31, 2019 amounted to P1.381 trillion, broken down as follows: unappropriated surplus – P1.032 trillion, unreleased continuing appropriations – P193.46 billion, unobligated continuing appropriations – P183.07 billion, and overdraft in allotments – PP27.80 billion.

Financial Statements

The combined financial statements (FSs) presented in this Report were taken from the FY 2019 and restated FY 2018 FSs of 315 NGAs and 5 GCs maintaining Special Account in the General Fund (SAGF), namely: Cultural Center of the Philippines, National Tobacco Administration, Philippine Coconut Authority, Philippine Rice Research Institute and Tourism Promotions Board. Not included in this Report are the FSs of the Land Bank of the Philippines (LBP), a GC which received an allotment of P6.72 million from Special Account – Foreign Assisted/Foreign Grants Fund (Germany) in FY 2019 as they were integrated in its Corporate Fund and were reported in the AFR for GCs.

As required in the GAM for NGAs, enhanced Unified Accounts Code Structure, and other relevant government accounting rules and regulations, the FSs should be prepared by the NGAs by fund cluster, as follows:

<u>Code</u>	<u>Description</u>
01	Regular Agency Fund
02	Foreign Assisted Projects Fund
03	Special Accounts-Locally Funded/Domestic Grants Fund
04	Special Accounts-Foreign Assisted/Foreign Grants Fund
05	Internally Generated Fund
06	Business Related Funds
07	Trust Receipts

As the audited FSs of the NGAs were presented as consolidated for all funds instead of by fund cluster, the following combined FSs presented in this Report were not prepared by fund cluster:

1. Statement of Financial Position (SFPos), which presents the assets and liabilities classified as current and non-current, and the equity of the NG;
2. Statement of Financial Performance (SFPer), which presents the revenue, expenses, net financial subsidy, gains or losses, and net surplus/(deficit) for the period;
3. Statement of Changes in Net Assets/Equity (SCNA/E), which presents the net surplus for the period, effects of changes in accounting policies, and prior period and other adjustments;
4. Statement of Cash Flows (SCF), which presents the sources (cash inflows) and utilizations (cash outflows) of funds;
5. Statement of Comparison of Budget and Actual Amounts (SCBAA), which presents the comparative budget information on the original and final budget, and actual receipt and utilization of funds; and
6. Notes to Financial Statements, which presents additional and relevant information and disclosures on the data presented in the consolidated FSs and information about items that do not qualify for recognition in those statements.

National Government Debt

Outstanding balance of NG debt of P7.743 trillion as at December 31, 2019 was composed of domestic borrowings of P5.129 trillion or 66.25 percent and foreign borrowings of P2.613 trillion or 33.75 percent. Domestic borrowings increased by P350.79 billion or 7.34 percent compared to the FY 2018 amount of P4.778 trillion due to the floatation of Treasury Bills and issuance of Treasury Bonds with maturity periods of 3, 5, 7, 10, and 20 years. Foreign borrowings increased by P98.07 billion or 3.90 percent over the previous year's P2.515 trillion.

Summary of Audit Opinions and Significant and Common Audit Observations and Recommendations

This Report includes a summary of the results of audit conducted on each NGA. Specifically, it presents a summary of audit opinions on the FSs, and significant and common audit observations and corresponding audit recommendations, including those

pertaining to the audit of gender and development, towards efficient and effective operations of the NGAs. The audit opinion rendered on the fairness of presentation of the FSs of each NGA was a representation and responsibility of the auditor concerned.

Methodology

Financial information was obtained from the audited and advanced copies of the FSs of 315 NGAs and 5 GCs maintaining SAGF. There was no change in the number of agencies reported in previous year because while there were two additions, the Anti-Red Tape Authority under the Executive Offices, and Philippine Rice Research Institute under the Department of Agriculture, there were also two reductions due to the abolition of the Road Board and the integration of the FSs of the Regional Legislative Assembly with the consolidated FSs of the Autonomous Regional Government in Muslim Mindanao.

Trial Balances (TBs) and FSs were submitted by the agencies to the COA-GAS through the Annual Financial Reporting System (AFRS), a web-based application system developed by COA-GAS to facilitate online submission of the Pre-Closing Trial Balances, FSs, and Statement of Management's Responsibility for Financial Statements. In addition, the agencies submitted printed and/or electronic copies of their TBs and FSs. The COA-GAS analyzed the individual FSs and reconciled them with the audited FSs, reconciled the budgetary information with the DBM, verified deficiencies noted with agencies concerned, and prepared the consolidated FSs by department and for the entire NG. Intra-agency and inter-agency accounts, to a great extent, were eliminated based on the combined FSs of the NGAs.

All amounts presented in this Report are expressed in Philippine peso, rounded off to the nearest thousands, unless otherwise stated. The difference between the totals and sum of components presented in the tables is due to rounding off.

Guide to Users

For enhanced financial reporting and greater transparency, the electronic copy of this Report as well as the complete details of the notes to FSs, and the audit opinions, audit observations and recommendations presented in the individual Annual Audit Reports on the NGAs are published in the COA website (<http://www.coa.gov.ph>).

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Acronym	Particulars
ACEF	Agricultural Competitiveness Enhancement Fund
ACPC	Agricultural Credit Policy Council
ADA	Advice to Debit Account
ADB	Asian Development Bank
AFP-CES	Armed Forces of the Philippines-Commissary and Exchange Services
AFR	Annual Financial Report
AGDBs	Authorized Government Depository Banks
ALGU	Assistance to Local Government Units
APT	Asset Privatization Trust
ARAAOD	Annual Report on Appropriations, Allotments, Obligations and Disbursements
ARF	Agrarian Reform Fund
ARMM	Autonomous Region of Muslim Mindanao
ARTA	Anti-Red Tape Authority
ASB	Agency Specific Budget
ASBs	Authorized Servicing Banks
BARMM	Bangsamoro Autonomous Region in Muslim Mindanao
BDO	Banco de Oro
BESF	Budget of Expenditures and Sources of Financing
BFAR	Bureau of Fisheries and Aquatic Resources
BFARs	Budget and Financial Accountability Reports
BFP	Bureau of Fire Protection
BI	Bureau of Immigration
BIR	Bureau of Internal Revenue
BOC	Bureau of Customs
BOI	Board of Investments
BSF	Bond Sinking Fund
BSGC	Budgetary Support to Government Corporations
BSP	Banko Sentral ng Pilipinas
BTr	Bureau of the Treasury
CARP	Comprehensive Agrarian Reform Program
CB-BOL	Central Bank-Board of Liquidators
CHED	Commission on Higher Education
CIP	Construction in Progress
CO	Capital Outlay
COA	Commission on Audit
COMELEC	Commission on Elections
CTA	Court of Tax Appeals
DA	Department of Agriculture
DAR	Department of Agrarian Reform
DBM	Department of Budget and Management

LIST OF ACRONYMS

Acronym	Particulars
DBP	Development Bank of the Philippines
DepEd	Department of Education
DFA	Department of Foreign Affairs
DICT	Department of Information and Communications Technology
DILG	Department of the Interior and Local Government
DND	Department of National Defense
DOE	Department of Energy
DOF	Department of Finance
DOH	Department of Health
DOJ	Department of Justice
DOLE	Department of Labor and Employment
DOST	Department of Science and Technology
DOTr	Department of Transportation
DPWH	Department of Public Works and Highways
DSWD	Department of Social Welfare and Development
DTI	Department of Trade and Industry
E.O.	Executive Order
FAPs	Foreign Assisted Projects
FAR	Financial Accountability Report
FCTD	Foreign Currency Time Deposit
FinEx	Financial Expenses
FOs	Field Offices
FSPs	Foreign Service Posts
FSs	Financial Statements
FY	Fiscal Year
GAA	General Appropriations Act
GAS	Government Accountancy Sector
GCs	Government Corporations
GF	General Fund
GFI	Government Financial Institutions
GHQ-AFP	General Headquarters-Armed Forces of the Philippines
GOCCs	Government Owned or Controlled Corporations
GSIS	Government Service Insurance System
IBRD	International Bank for Reconstruction and Development
IMA	Investment Management Agreement
IRA	Internal Revenue Allotment
KALAHI-CIDSS	Kapitbisig Laban sa Kahirapan-Comprehensive and Integrated Delivery of Social Services
LBP	Land Bank of the Philippines
LGUs	Local Government Units
LRA	Land Registration Authority

LIST OF ACRONYMS

Acronym	Particulars
LTO	Land Transportation Office
MDFO	Municipal Development Fund Office
MDS	Modified Disbursement System
MIGA	Multilateral Investment Guarantee Agency
MIRDC	Metals Industry Research and Development Center
MMDA	Metropolitan Manila Development Authority
MOOE	Maintenance and Other Operating Expenses
MPBF	Miscellaneous Personnel Benefits Fund
NAPOCOR	National Power Corporation
NCCA	National Commission for Culture and the Arts
NCCT	National Council for Children's Television
NCDDP	National Community Driven Development Project
NDC	National Development Company
NDRRMF	National Disaster Risk Reduction and Management Fund
NEDA	National Economic and Development Authority
NFA	National Food Authority
NG	National Government
NGAs	National Government Agencies
NGOs	Non-Government Organizations
NHA	National Housing Authority
NIA	National Irrigation Administration
NPO	National Printing Office
OEO	Other Executive Offices
OP	Office of the President
OSEC	Office of the Secretary
OUs	Operating Units
OWWA	Overseas Workers Welfare Administration
P.D.	Presidential Decree
PA	Philippine Army
PAF	Philippine Air Force
PAGCOR	Philippine Amusement and Gaming Corporation
PAMANA	Payapa at Masaganang Pamayanan
PCAF	Philippine Council for Agriculture and Fisheries
PCC	Philippine Carabao Center
PCF	Petty Cash Fund
PCG	Philippine Coast Guard
PCGG	Presidential Commission on Good Government
PCOO	Presidential Communications Operations Office
PCSO	Philippine Charity Sweepstakes Office
PET	Presidential Electoral Tribunal
PGA	Provincial Government of Abra

LIST OF ACRONYMS

Acronym	Particulars
PhilFIDA	Philippine Fiber Industry Development Authority
PhilHealth	Philippine Health Insurance Corporation
PhilMech	Philippine Center for Postharvest Development and Mechanization
PMO	Privatization and Management Office
PN	Philippine Navy
PNB	Philippine National Bank
PNCC	Philippine National Construction Corporation
POs	People's Organizations
PPE	Property, Plant and Equipment
PPSAS	Philippine Public Sector Accounting Standards
PPSC	Philippine Public Safety College
PRC	Professional Regulation Commission
PRRI	Philippine Rice Research Institute
PS	Personnel Services
PSA	Philippine Statistics Authority
PUP	Polytechnic University of the Philippines
PVAO	Philippine Veterans Affairs Office
QUEDANCOR	Quedan and Rural Credit Guarantee Corporation
R.A.	Republic Act
RAOD	Registry of Allotments, Obligations and Disbursements
RAPAL	Registry of Appropriations and Allotments
RATSPF	Registry of Appropriations and Transfers for Special Purpose Funds
RCEF	Rice Competitiveness Enhancement Fund
RCOs	Regional Collecting Officers
RDFB	Registry of Domestic and Foreign Borrowings
ROA	Registry of Overdraft in Allotments
ROP	Republic of the Philippines
ROPA	Real and Other Properties Acquired
ROs	Regional Offices
RR	Registry of Revenue
RTU	Rizal Technological University
SAAB	Statements of Appropriations, Allotments and Balances
SAAODB	Statement of Appropriations, Allotments, Obligations, Disbursements and Balances
SAGF	Special Account in the General Fund
SCBAA	Statement of Comparison of Budget and Actual Amounts
SCF	Statement of Cash Flows
SCNA/E	Statement of Change in Net Assets/Equity
SCP	Supreme Court of the Philippines
SEC	Securities and Exchange Commission

LIST OF ACRONYMS

Acronym	Particulars
SFPer	Statement of Financial Performance
SFPos	Statement of Financial Position
SGF	Special Guaranty Fund
SPF	Special Purpose Fund
SSF	Securities Stabilization Fund
SUCs	State Universities and Colleges
T-Bills	Treasury Bills
T-Bonds	Treasury Bonds
TCCs	Tax Credit Certificates
TCG	Tacloban City Government
TDMs	Tax Debit Memos
TESDA	Technical Education and Skills Development Authority
TESDA	Technical Education and Skills Development Authority
TOP	Treasurer of the Philippines
TPB	Tourism Promotions Board
TRA	Tax Remittance Advice
TRO	Temporary Restraining Order
TSA	Treasury Single Account
UA-SFAPs	Unprogrammed Appropriations-Support to Foreign-Assisted Projects
UCPB	United Coconut Planters Bank
UP	University of the Philippines
UPS	University of the Philippines System
VMMC	Veterans Memorial Medical Center

PART I

FINANCIAL

HIGHLIGHTS

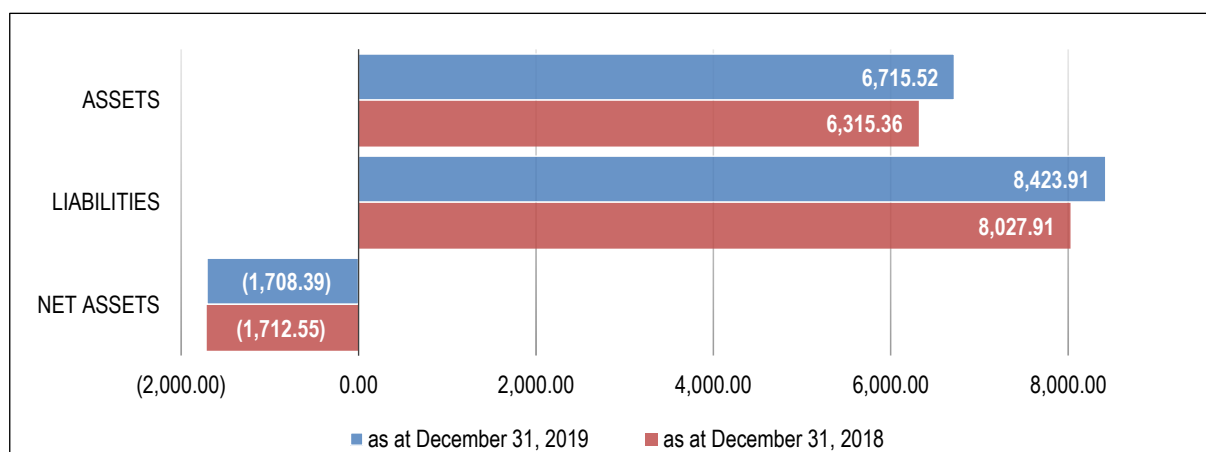
PART I – FINANCIAL HIGHLIGHTS

A. FINANCIAL POSITION

The Statement of Financial Position (SFPos) shows the assets and liabilities, classified as current and non-current, and the net assets/equity of the National Government (NG).

The total assets and liabilities of the NG as at December 31, 2019 were P6.716 trillion and P8.424 trillion, respectively, resulting in a negative net assets/equity of P1.708 trillion. Compared to FY 2018, total assets increased by P400.16 billion or 6.34 percent, liabilities increased by P396.00 billion or 4.93 percent, and negative net assets/equity increased by P4.16 billion or 0.24 percent. Chart I.A.1 shows the comparative financial position of the NG as at December 31, 2019 and December 31, 2018.

Chart I.A.1 Comparative Financial Position
FYs 2019 and 2018
(in billion pesos)



ASSETS – P6.716 trillion

Total assets of P6.716 trillion is composed of current assets of P1.864 trillion and non-current assets of P4.851 trillion.

Current Assets – P1.864 trillion

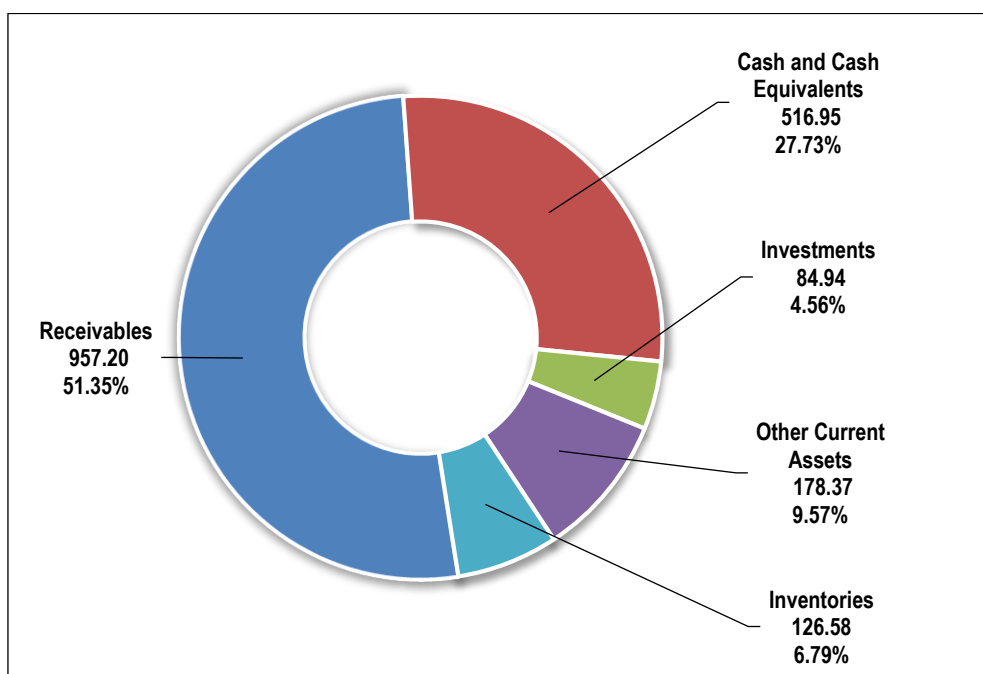
Current assets of P1.864 trillion shared 27.76 percent of the total assets. It decreased by P102.35 billion or 5.20 percent from the previous year total of P1.966 trillion. The decrease in current assets was a net result of the following: decreases in cash and cash equivalents of P109.17 billion or 17.44 percent and investments – P79.03 billion or 48.20 percent, and increases in receivables – P47.61 billion or 5.23 percent, inventories – P19.88 billion or 18.63 percent, and other current assets – P18.37 billion or 11.48 percent. Table I.A.1 shows the comparative current assets for FYs 2019 and 2018.

Table I.A.1 Comparative Current Assets
FYs 2019 and 2018
(in million pesos)

Particulars	Amount			Percent Increase/ Decrease
	2019	2018 (Restated)	Increase/ (Decrease)	
Cash and Cash Equivalents	516,952.85	626,125.06	(109,172.21)	17.44
Investments	84,936.12	163,970.80	(79,034.68)	48.20
Receivables	957,196.62	909,584.49	47,612.13	5.23
Inventories	126,579.75	106,703.66	19,876.09	18.63
Other Current Assets	178,372.65	160,002.37	18,370.28	11.48
Total	<u>1,864,038.00</u>	<u>1,966,386.39</u>	<u>(102,348.38)</u>	5.20

Total current assets substantially consists of receivables and cash and cash equivalents at 51.35 percent and 27.73 percent, respectively. Total cash and cash equivalents is largely composed of cash in banks, local currency of P352.39 billion or 68.17 percent, and foreign currency of P161.03 billion or 31.15 percent. The biggest components of receivables are inter-agency receivables of P719.68 billion or 75.19 percent, and loans and receivables accounts of P132.43 billion or 13.83 percent. Chart I.A.2 presents the composition of current assets.

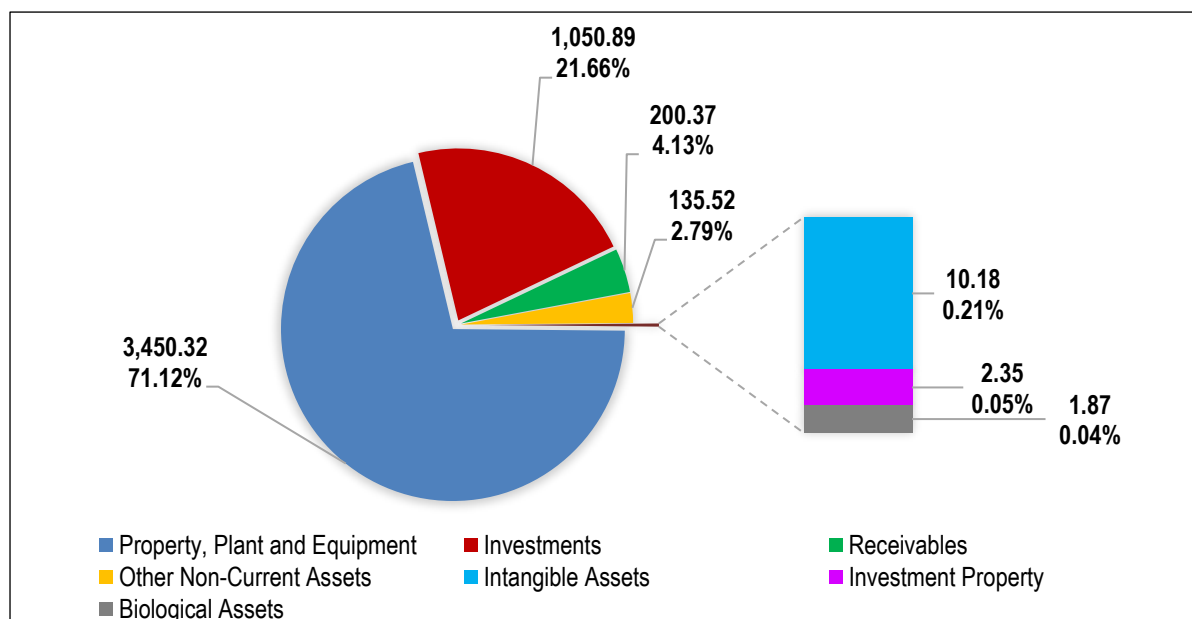
Chart I.A.2 Composition of Current Assets
FY 2019
(in billion pesos)



Non-Current Assets – P4.851 trillion

Non-current assets of P4.851 trillion accounted for 72.24 percent of the total assets. It largely consists of property, plant and equipment (PPE) of P3.450 trillion or 71.12 percent and investments of P1.051 trillion or 21.66 percent. Chart I.A.3 shows the composition of Non-Current Assets.

**Chart I.A.3 Composition of Non-Current Assets
FY 2019
(in billion pesos)**



Non-current assets increased by P502.51 billion or 11.55 percent compared to FY 2018 of P4.349 trillion. The increment was primarily due to the significant increase in PPE of P387.32 billion or 12.65 percent, of which P168.22 billion pertained to Construction in Progress. The increase in construction in progress was considerably due to the increases in the construction of infrastructure assets and buildings and other structures of P130.72 billion, and P34.52 billion, respectively.

Table I.A.2 shows the comparison of non-current assets for FYs 2019 and 2018.

**Table I.A.2 Comparative Non-Current Assets
FYs 2019 and 2018
(in million pesos)**

Particulars	Amount			Percent Increase/Decrease
	2019	2018 (Restated)	Increase/ (Decrease)	
Investments	1,050,886.94	943,821.73	107,065.22	11.34
Receivables	200,367.45	205,201.03	(4,833.57)	2.36
Investment Property	2,349.90	2,307.09	42.80	1.86
Property, Plant and Equipment	3,450,317.36	3,063,999.96	387,317.40	12.65
Biological Assets	1,865.14	1,685.05	180.09	10.69
Intangible Assets	10,177.29	6,596.36	3,580.93	54.29
Other Non-Current Assets	135,519.03	126,358.74	9,160.29	7.25
Total	<u>4,851,483.11</u>	<u>4,348,969.96</u>	<u>502,513.15</u>	11.55

LIABILITIES – P8.424 trillion

Total liabilities for FY 2019 of P8.424 trillion increased by P396.00 billion or 4.93 percent compared to FY 2018 of P8.028 trillion. It is composed of current liabilities of P1.518 trillion

and non-current liabilities of P6.906 trillion, representing 18.02 percent and 81.98 percent of total liabilities, respectively.

Current Liabilities – P1.518 trillion

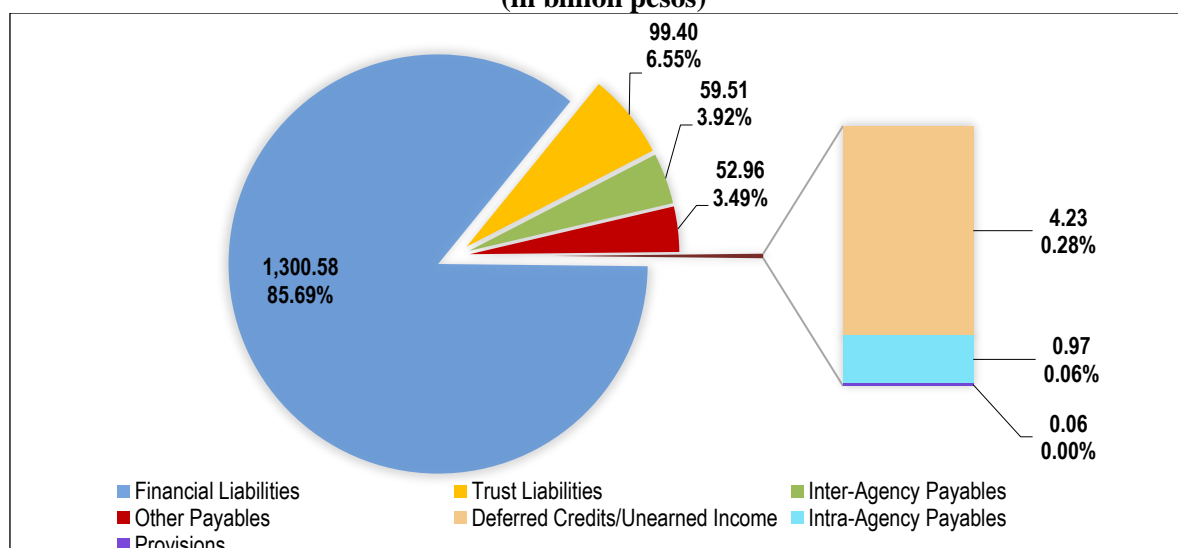
Total current liabilities of P1.518 trillion decreased by P196.48 billion or 11.46 percent from FY 2018 total current liabilities of P1.714 trillion. This was attributed to the substantial decrease in financial liabilities of P191.05 billion or 12.81 percent. Of the financial liabilities, bills/bonds/loans payable and payables decreased by P143.77 billion or 13.52 percent and P47.28 billion or 11.05 percent, respectively. Table I.A.3 shows the comparative current liabilities for FYs 2019 and 2018.

Table I.A.3 Comparative Current Liabilities
FYs 2019 and 2018
(in million pesos)

Particulars	Amount			Percent Increase/ Decrease
	2019	2018 (Restated)	Increase/ (Decrease)	
Financial Liabilities	1,300,581.82	1,491,630.34	(191,048.52)	12.81
Inter-Agency Payables	59,512.73	65,354.22	(5,841.48)	8.94
Intra-Agency Payables	966.33	4,827.81	(3,861.47)	79.98
Trust Liabilities	99,400.04	93,992.66	5,407.37	5.75
Other Payables	52,964.20	53,044.65	(80.45)	0.15
Deferred Credits/Unearned Income	4,230.44	5,285.66	(1,055.21)	19.96
Provisions	55.17	56.12	(0.95)	1.69
Total	1,517,710.74	1,714,191.46	(196,480.72)	11.46

Total financial liabilities of P1.301 trillion accounts for 85.69 percent of the total current liabilities. It includes the current portion of public debt, both foreign and domestic in the amount of P919.84 billion, of which 99.99 percent or P919.73 trillion was reported by the BTr, the agency mandated to manage, control and service the public debt of the NG. Chart I.A.4 shows the composition of current liabilities.

Chart I.A.4 Composition of Current Liabilities
FY 2019
(in billion pesos)



Non-Current Liabilities – P6.906 trillion

Non-current liabilities increased by P592.49 billion or 9.38 percent compared to the previous year of P6.314 trillion. The net increase was due to the increases in the balances of financial liabilities of P616.34 billion or 9.91 percent and trust liabilities of P573.86 million or 2.89 percent, and the decreases in deferred credits/unearned income of P643.55 million or 2.48 percent, other payables of P22.68 billion or 50.71 percent and provisions of P1.11 billion or 47.54 percent. Table I.A.4 shows the comparison of non-current liabilities of FYs 2019 and 2018.

Table I.A.4 Comparative Non-Current Liabilities
FYs 2019 and 2018
(in million pesos)

Particulars	Amount			Percent Increase/Decrease
	2019	2018 (Restated)	Increase/ (Decrease)	
Financial Liabilities	6,837,179.59	6,220,839.42	616,340.18	9.91
Trust Liabilities	20,456.57	19,882.71	573.86	2.89
Deferred Credits/Unearned Income	25,297.63	25,941.18	(643.55)	2.48
Other Payables	22,044.35	44,719.43	(22,675.08)	50.71
Provisions	<u>1,224.85</u>	<u>2,334.88</u>	<u>(1,110.04)</u>	47.54
Total	<u>6,906,202.99</u>	<u>6,313,717.62</u>	<u>592,485.38</u>	9.38

Of the total non-current liabilities, P6.837 trillion or 99.00 percent represents financial liabilities. This amount includes P6.836 trillion pertaining to the non-current portion of public debt, both foreign and domestic, of which P6.836 trillion or 99.99 percent was reported by the BTr.

NET ASSETS/EQUITY – (P1.708 trillion)

Liabilities of the NG in FY 2019 exceeded the assets resulting in a negative balance of P1.708 trillion in equity. This however, posts an increase of P4.16 billion or 0.24 percent compared to the negative balance of P1.713 trillion in FY 2018. The negative balance of P1.708 trillion is composed of Accumulated Deficit of P1.731 trillion and unrealized gain of P23.08 billion. Table I.A.5 shows the comparative components of net assets/equity for FYs 2019 and 2018.

Table I.A.5 Comparative Net Assets/Equity
FYs 2019 and 2018
(in million pesos)

Particulars	Amount			Percent Increase/Decrease
	2019	2018 (Restated)	Increase/ (Decrease)	
Government Equity	<u>(1,731,468.14)</u>	<u>(1,677,616.36)</u>	<u>(53,851.78)</u>	3.21
Accumulated Surplus/(Deficit)	(1,731,468.14)	(1,677,616.36)	(53,851.78)	3.21
Unrealized Gain/(Loss)	<u>23,075.52</u>	<u>(34,936.38)</u>	<u>58,011.90</u>	166.05
Unrealized Gain/(Loss) from Changes in Fair Value of Financial Assets	23,075.52	(34,936.38)	58,011.90	166.05
Net Assets/Equity	<u>(1,708,392.62)</u>	<u>(1,712,552.73)</u>	<u>4,160.12</u>	0.24

B. FINANCIAL PERFORMANCE

The Statement of Financial Performance (SFPer) presents the revenue and gains from various sources, expenses incurred including losses from various transactions, net financial assistance/subsidy and the surplus/(deficit) during the year.

For FY 2019, total revenue of the NG amounted to P3.200 trillion, posting an increment of 10.40 percent from FY 2018 of P2.898 trillion. Total current operating expenses amounting to P2.970 trillion increased by 11.68 percent compared to previous year's amount of P2.659 trillion, resulting in a surplus from current operations of P229.81 billion. A net surplus of P224.32 billion was realized after adding the negative net financial assistance/subsidy of P83.45 billion, losses of P20.91 billion, and the total non-operating income of P98.87 billion. to surplus from current operations of P2.970 trillion, the operations of the NG for FY 2019 resulted in a surplus of. This surplus is higher by P192.95 billion or six times more than the FY 2018 balance of P31.37 billion. Table I.B.1 presents the comparative financial performance of the NG for FYs 2019 and 2018.

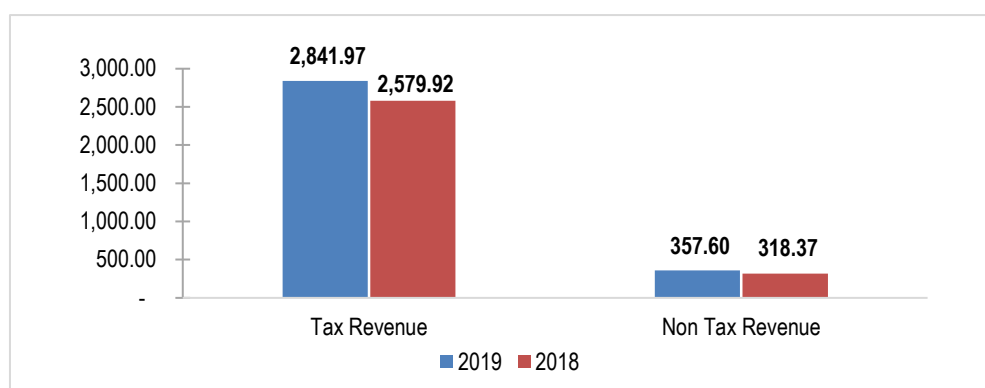
Table I.B.1 Comparative Financial Performance
FYs 2019 and 2018
(in million pesos)

Particulars	Amount			Percent Increase/Decrease
	2019	2018 (Restated)	Increase/ (Decrease)	
Revenue	3,199,572.48	2,898,288.65	301,283.83	10.40
Less: Current Operating Expenses	<u>2,969,765.45</u>	<u>2,659,271.21</u>	<u>310,494.24</u>	11.68
Surplus/(Deficit) from Current Operations	229,807.03	239,017.44	(9,210.41)	3.85
Net Financial Assistance/Subsidy From/(To)				
NGAs and Financial Assistance to LGUs and GOCCs	(83,445.48)	(92,256.83)	8,811.35	9.55
Other Non-Operating Income	<u>98,867.05</u>	<u>23,981.55</u>	<u>74,885.51</u>	312.26
Sale of Assets	375.12	1,186.14	(811.02)	68.37
Gains	98,491.93	22,795.41	75,696.53	332.07
Losses	<u>(20,910.06)</u>	<u>(139,368.73)</u>	<u>118,458.67</u>	85.00
Surplus/(Deficit) for the period	<u>224,318.54</u>	<u>31,373.42</u>	<u>192,945.12</u>	615.00

Revenue – P3.200 trillion

The total revenue for FY 2019 of P3.200 trillion increased by P301.28 billion or 10.40 percent compared to FY 2018 of P2.898 trillion. Of the total revenue, P2.842 trillion or 88.82 percent pertains to tax revenue while P357.60 billion or 11.18 percent pertains to non-tax revenue. The graphical comparison of revenue for FYs 2019 and 2018 is presented in Chart I.B.1.

Chart I.B.1 Comparative Total Revenue
FYs 2019 and 2018
(in billion pesos)



Of the total tax revenue, the Bureau of Internal Revenue and the Bureau of Customs reported collections of P2.183 trillion or 76.82 percent and P640.63 billion or 22.54 percent, respectively. The top five sources of tax revenue are: income tax – P1.099 trillion or 38.68 percent, business tax – P974.14 billion or 34.28 percent, excise tax – P450.40 billion or 15.85 percent, documentary stamp tax – P138.46 billion or 4.87 percent, and import duties – P83.36 billion or 2.93 percent.

Table I.B.2 shows the comparative composition of tax revenue for FYs 2019 and 2018.

Table I.B.2 Comparative Composition of Tax Revenue
FYs 2019 and 2018
(in million pesos)

Particulars	Amount			Percent Increase/ Decrease
	2019	2018 (Restated)	Increase/ (Decrease)	
Tax Revenue-Individual and Corporations	1,099,441.56	997,785.34	101,656.22	10.19
Tax Revenue-Property	38,087.57	35,271.42	2,816.15	7.98
Tax Revenue-Goods and Services	1,507,918.60	1,372,227.48	135,691.13	9.89
Tax Revenue-Others	190,777.60	168,930.32	21,847.28	12.93
Tax Revenue-Fines and Penalties	5,744.35	5,703.61	40.74	0.71
Total Tax Revenue	2,841,969.67	2,579,918.16	262,051.51	10.16

The total non-tax revenue of P357.60 billion is composed of service and business income of P264.66 billion or 74.01 percent, shares, grants and donations of P90.26 billion or 25.24 percent, miscellaneous income of P2.57 billion or 0.72 percent, and gains of P114.50 million or 0.03 percent. Table I.B.3 shows the comparative composition of non-tax revenue for FYs 2019 and 2018.

Table I.B.3 Comparative Composition of Non-Tax Revenue
FYs 2019 and 2018
(in million pesos)

Particulars	Amount			Percent Increase/ Decrease
	2019	2018 (Restated)	Increase/ (Decrease)	
Service and Business Income	264,659.06	227,394.18	37,264.88	16.39

Particulars	Amount			Percent Increase/Decrease
	2019	2018 (Restated)	Increase/ (Decrease)	
Service Income	88,406.29	81,710.77	6,695.52	8.19
Business Income	176,252.77	145,683.41	30,569.36	20.98
Shares, Grants and Donations	<u>90,258.81</u>	<u>88,748.14</u>	<u>1,510.67</u>	1.70
Shares	87,093.72	82,961.42	4,132.30	4.98
Grants and Donations	3,165.09	5,786.72	(2,621.63)	45.30
Miscellaneous Income	2,570.43	2,148.69	421.74	19.63
Gains	<u>114.50</u>	<u>79.48</u>	<u>35.03</u>	44.07
Total Non-Tax Revenue	<u>357,602.80</u>	<u>318,370.48</u>	<u>39,232.32</u>	12.32

Current Operating Expenses – P2.970 trillion

The current operating expenses of P2.970 trillion was higher by P310.49 billion or 11.68 percent than FY 2018 of P2.659 trillion. The components are: personnel services (PS) of P1.145 trillion or 38.55 percent, maintenance and other operating expenses (MOOE) of P477.22 billion or 16.07 percent, financial expenses (FinEx) of P395.42 billion or 13.31 percent, financial assistance/subsidy to LGUs, GOCCs and NGOs/POs of P847.61 billion or 28.54 percent, and non-cash expenses of P104.70 billion or 3.53 percent.

The increase in the total current operating expenses was a result of the increases in all of the above components: PS of P131.32 billion or 12.96 percent, MOOE of P4.41 billion or 0.93 percent, FinEx of P44.38 billion or 12.64 percent, financial assistance/subsidy to LGUs, GOCCs and NGOs/POs of P112.48 billion or 15.30 percent, and non-cash expenses of P17.90 billion 20.62 percent. Table I.B.4 shows the comparison of current operating expenses for FYs 2019 and 2018.

Table I.B.4 Comparative Current Operating Expenses
FYs 2019 and 2018
(in billion pesos)

Particulars	Amount			Percent Increase/Decrease
	2019	2018 (Restated)	Increase/ (Decrease)	
Personnel Services	1,144,817.86	1,013,495.70	131,322.17	12.96
Maintenance and Other Operating Expenses	477,221.19	472,814.23	4,406.96	0.93
Financial Expenses	395,415.61	351,035.61	44,380.00	12.64
Financial Assistance/Subsidy to LGUs, GOCCs, NGOs/POs	847,607.57	735,124.78	112,482.79	15.30
Non-Cash Expenses	<u>104,703.21</u>	<u>86,800.89</u>	<u>17,902.32</u>	20.62
Total Current Operating Expenses	<u>2,969,765.45</u>	<u>2,659,271.21</u>	<u>310,494.24</u>	11.68

Net Financial Assistance/Subsidy From/(To) NGAs, and Financial Assistance from LGUs and GOCCs

Net financial assistance/subsidy from/(to) NGAs and financial assistance from LGUs and GOCCs of negative P83.45 billion increased by P8.81 billion or 9.55 percent compared to FY 2018 of negative P92.26 billion, as shown in Table I.B.4.

**Table I.B.5 Comparative Net Financial Assistance/Subsidy From/(To) NGAs,
and Financial Assistance from LGUs and GOCCs
FYs 2019 and 2018
(in million pesos)**

Particulars	Amount			Percent Increase/ Decrease
	2019	2018 (Restated)	Increase/ (Decrease)	
Net Financial Assistance/Subsidy to NGAs	(87,150.56)	(96,953.31)	9,802.75	10.11
Assistance from Local Government Units	3,679.41	4,691.26	(1,011.86)	21.57
Assistance from Government-Owned or Controlled Corporations	<u>25.67</u>	<u>5.22</u>	<u>20.45</u>	391.65
Total	<u>(83,445.48)</u>	<u>(92,256.83)</u>	<u>8,811.35</u>	9.55

C. CHANGES IN NET ASSETS/EQUITY

The Statement of Changes in Net Assets/Equity (SCNA/E) reflects the elements affecting the changes in the government equity and unrealized gain/(loss) at the end of the year.

The restated negative balance as at January 1, 2019 of the net assets/equity amounted to P1.712 trillion. After adding the surplus for the period of P224.32 billion and adjustment of net revenue recognized directly in net assets/equity of P508 billion and deducting other adjustments of P728.39 billion, the net assets/equity as at December 31, 2019 resulted in negative balance of P1.708 trillion. It is composed of Accumulated Deficit of P1.731 trillion, and Unrealized Gain/(Loss) from Changes in the Fair Value of Financial Assets of P23.08 billion. Table I.C.1 shows the changes in net assets/equity for FY 2019.

**Table I.C.1. Changes in Net Assets/Equity
FY 2019
(in million pesos)**

Particulars	Net Assets/Equity	Government Equity	Unrealized Gain/(Loss) from Changes in the Fair Value of Financial Assets
		Accumulated Surplus/ (Deficit)	
Restated Balance, January 1	(1,712,552.73)	(1,677,616.36)	(34,936.38)
Add/(Deduct):			
Changes in Net Assets/Equity for the Fiscal Year			
Surplus/(Deficit) for the Period	224,318.54	224,318.54	-
Adjustment of net revenue recognized directly in net assets/equity	508,234.87	508,234.87	-
Others	<u>(728,393.30)</u>	<u>(786,405.20)</u>	<u>58,011.90</u>
Balance, December 31	<u>(1,708,392.62)</u>	<u>(1,731,468.14)</u>	<u>23,075.52</u>

D. CASH FLOWS

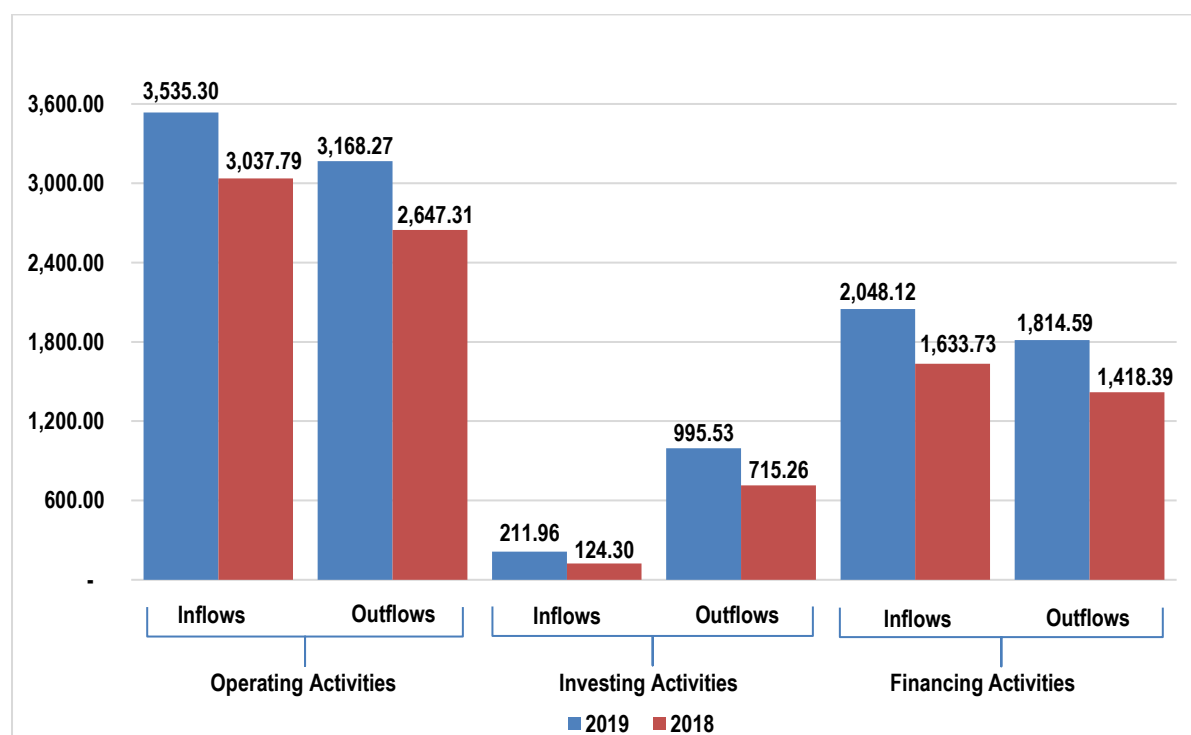
The Statement of Cash Flows (SCF) prepared using the direct method, shows the cash inflows and outflows from operating, investing and financing activities.

Net cash provided by operating activities and financing activities in FY 2019 amounted to P367.02 billion and P233.53 billion, respectively, while net cash used in investing activities amounted to P783.57 billion, resulting in a net decrease in cash and cash equivalent of P183.02 billion. After adding the negative effects of exchange rate changes of P6.40 billion and the beginning balance of P879.15 billion, the cash and cash equivalents of the NGAs at the end of FY 2019 amounted to P689.73 billion.

The FY 2019 ending balance of P689.73 billion differed by P172.77 billion with the total cash and cash equivalents of P516.95 billion in the Statement of Financial Position. The difference represents the cash and cash equivalents included in the Sinking Fund of the BTr.

The comparative inflows and outflows, by activity, for FYs 2019 and 2018 are shown in Chart I.D.1.

**Chart I.D.1 Comparative Cash Flows, by Activity
FYs 2019 and 2018
(in billion pesos)**



E. COMPARISON OF BUDGET AND ACTUAL AMOUNTS

The Statement of Comparison of Budget and Actual Amounts (SCBAA) presents the original and final targets of receipts versus the actual amounts collected as well as the original and final budgets versus the actual amounts paid.

The SCBAA presents the receipts and payments classified into budgeted amounts (original and final) and the actual amounts on comparable basis. The final budgeted amounts are compared with the actual amounts on comparable basis to get the difference or variance.

For FY 2019, the final budgeted receipts of P4.177 trillion decreased by P868.33 billion compared to the original budgeted receipts of P5.045 trillion. However, actual receipts of P4.054 trillion was lower by P122.37 billion than the final budgeted receipts.

The final budgeted payments of P4.401 trillion increased by P552.72 billion from the original budgeted payments of P3.849 trillion. However, actual payments of P3.581 trillion was lower by P820.74 billion than the final budgeted payments.

Table I.E.1 shows the comparison of budget and actual amounts for FY 2019.

Table I.E.1. Comparison of Budget and Actual Amounts
FY 2019
(in million pesos)

Particulars	Budgeted Amounts		Actual Amounts on Comparable Basis	Difference Final Budget and Actual
	Original	Final		
Total Receipts	5,045,099.00	4,176,764.32	4,054,396.11	(122,368.21)
Less: Total Payments	<u>3,848,695.83</u>	<u>4,401,421.03</u>	<u>3,580,679.72</u>	<u>820,741.31</u>
Net Receipts/Payments	<u>1,196,403.17</u>	<u>(224,656.71)</u>	<u>473,716.39</u>	<u>(943,109.52)</u>

PART II

**APPROPRIATIONS,
ALLOTMENTS,
OBLIGATIONS,
DISBURSEMENTS
AND BALANCES**

PART II – APPROPRIATIONS, ALLOTMENTS, OBLIGATIONS, DISBURSEMENTS, AND BALANCES

Budget for Fiscal Year 2019

The proposed budget for FY 2019 was P2.883 trillion, of which President Rodrigo Roa Duterte approved P2.777 trillion under Republic Act (R.A.) No. 11260, the General Appropriations Act (GAA) for FY 2019. The difference of P105.37 billion between the proposed and the approved budget represents the amounts directly vetoed by the President in the proposed P10.00 billion appropriations for Coconut Farmers and Industry Development Fund under Unprogrammed Appropriations and P95.37 billion from the Agency Specific Budget of DPWH.

The approved budget is composed of Programmed New Appropriations of P2.599 trillion and Unprogrammed Appropriations of P 178.14 billion. Unprogrammed appropriations represent standby authority to be released only when revenue collections in any one of the identified revenue sources exceed targets per Budget of Expenditures and Sources of Financing or when new foreign loans or grants are received.

From FY 2010 to 2019, the Annual Budget increased at an average rate of 9.74 percent. Table II-1 shows the annual budget of the National Government (NG) from FY 2010 to 2019.

**Table II-1 Annual Budget
FYs 2010 - 2019
(in million pesos)**

Fiscal Year	General Appropriations Act	Appropriations	Increase/(Decrease)	
			Amount	Percent
2019	R.A. No. 11260	2,777,247.29	(84,280.26)	2.95
2018	R.A. No. 10964	2,861,527.55	362,040.60	14.48
2017	R.A. No. 10924	2,499,486.95	360,882.36	16.87
2016	R.A. No. 10717	2,138,604.60	275,779.94	14.80
2015	R.A. No. 10651	1,862,824.65	254,321.57	15.81
2014	R.A. No. 10633	1,608,503.08	240,273.93	17.56
2013	R.A. No. 10352	1,368,229.16	123,035.89	9.88
2012	R.A. No. 10155	1,245,193.27	244,805.51	24.47
2011	R.A. No. 10147	1,000,387.76	(304,018.64)	23.31
2010	R.A. No. 9970	1,304,406.40		

Appropriations, Allotments, Obligations, and Disbursements for FY 2019

Appropriations are authorizations made by law or legislative enactment directing payment out of the government funds under specified conditions or for specific purposes.

Automatic Appropriations are the authorizations programmed annually or for some other period prescribed by law, by virtue of outstanding legislation which does not require periodic action by Congress.

Allotments are authorizations issued by the Department of Budget and Management (DBM) to national government agencies (NGAs) and government corporations (GCs) maintaining Special Account in the General Fund (SAGF) to incur obligations for specified amounts contained in legislative appropriations in the form of budget releasing documents.

Obligations are acts of duly authorized officials which bind the government to the immediate or eventual payment of a sum of money. Obligations may also be referred to as commitments that encompass possible future liabilities based on current contractual agreements.

Overdraft in allotments are obligations incurred by NGAs not covered by allotments or in excess of allotments.

Unreleased appropriations represent the balance of the total appropriations for the year over the total allotments released to various NGAs.

Unobligated allotments refer to the variance between total allotments, excluding allotments to cover prior year's overdraft, and obligations covered by allotments.

Disbursements represent the actual amounts spent or paid during a given period in currency, thru issuance of checks/Advice to Debit Account (ADA)/Tax Remittance Advice (TRA), direct payment abroad thru withdrawal application from the loan account, and outright deductions from claims.

Unpaid Obligations represent the balance between total obligations and total disbursements.

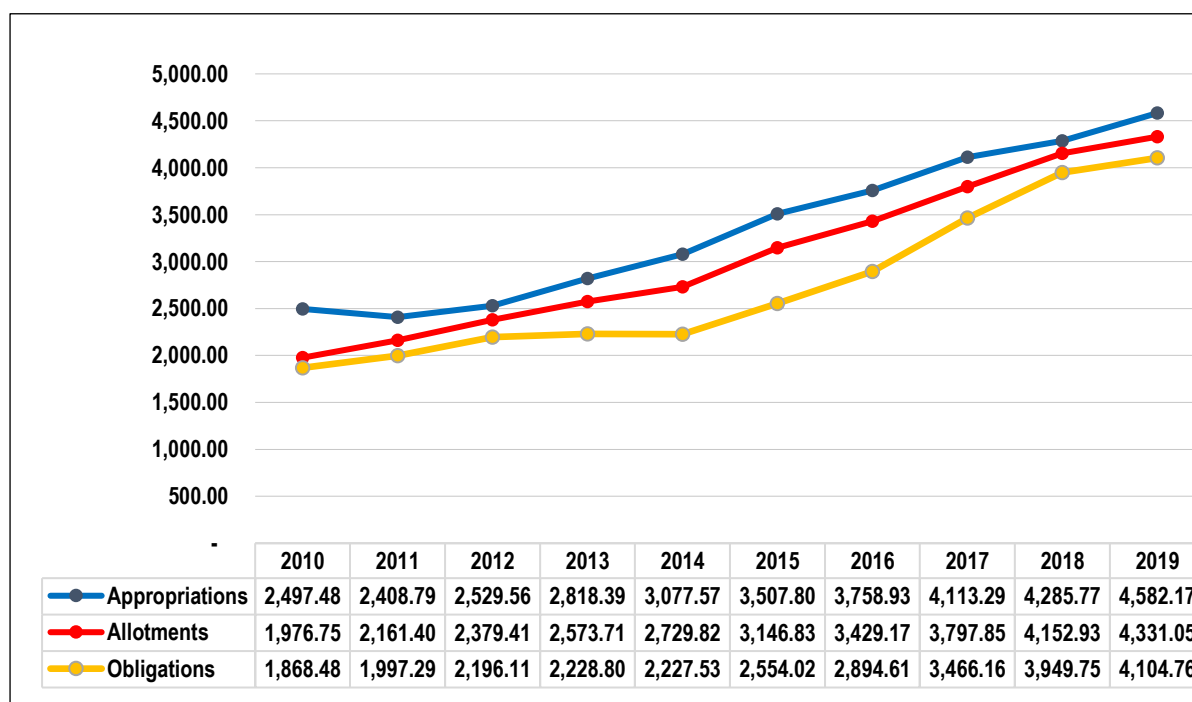
For FY 2019, the NG had a total appropriations of P4.582 trillion and allotments of P4.331 trillion, leaving an unreleased appropriations of P251.12 billion. The obligations incurred totaled P4.105 trillion, of which P27.07 billion was not covered by allotments, resulting in unobligated allotments of P253.36 billion. Disbursements effected totaled P3.580 trillion leaving P524.08 billion in unpaid obligation. Table II-2 presents the comparative appropriations, allotments, obligations, disbursements and balances for FYs 2019 and 2018.

**Table II-2 Comparative Appropriations, Allotments, Obligations,
Disbursements and Balances
FYs 2019 and 2018
(in million pesos)**

Particulars	Amount		Increase/(Decrease)	
	FY 2019	FY 2018	Amount	Percent
Appropriations	4,582,170.86	4,285,769.67	296,401.19	6.92
Allotments	4,331,045.76	4,152,926.57	178,119.19	4.29
Obligations	<u>4,104,756.74</u>	<u>3,949,751.03</u>	<u>155,005.72</u>	3.92
Covered by Allotments	4,077,685.10	3,949,663.10	128,022.00	3.24
Overdraft in Allotments	27,071.64	87.92	26,983.72	30,690.50
Disbursements	3,580,679.72	3,238,143.12	342,536.60	10.58
Unreleased Appropriations	251,125.10	132,843.10	118,282.00	89.04
Unobligated Allotments	253,360.66	203,262.91	50,097.75	24.65
Unpaid Obligations	524,077.02	711,607.90	(187,530.88)	26.35

From FY 2010 to FY 2019, the appropriations, allotments and obligations grew at an average rate of 7.08 percent, 9.14 percent, and 9.32 percent, respectively. Chart II-1 shows the trend analysis of appropriations, allotments and obligations from FY 2010 to FY 2019.

**Chart II-1 Trend Analysis of Appropriations,
Allotments and Obligations
FYs 2010 - 2019
(in billion pesos)**



Appropriations – P4.582 trillion

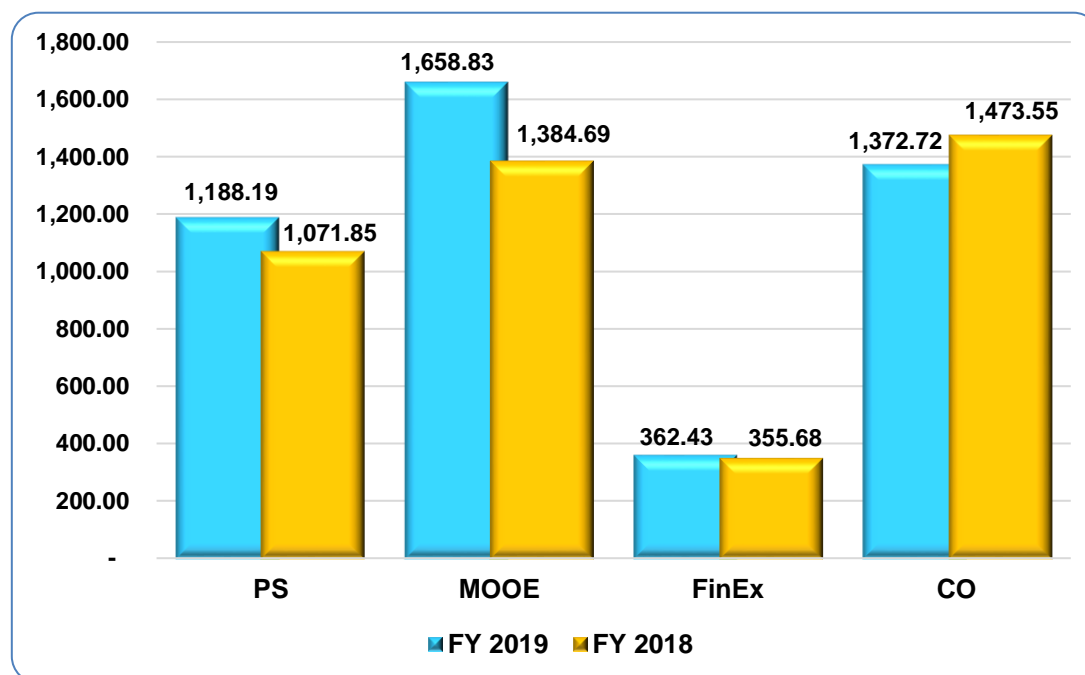
The FY 2019 total appropriations of P4.582 trillion, consists of current year appropriations of P4.317 trillion, and continuing appropriations of P264.80 billion. Current year's appropriations comprises of new general appropriations of P2.777 trillion, and automatic appropriations of P1.540 trillion, while continuing appropriations includes unreleased appropriations of P98.68 billion and unobligated allotments of P166.12 billion. Table II-3 shows the comparative appropriations by source for FYs 2019 and 2018.

**Table II-3 Comparative Appropriations by Source
FYs 2019 and 2018
(in million pesos)**

Source	Amount		Increase/(Decrease)	
	FY 2019	FY 2018	Amount	Percent
Current Year's Appropriations	<u>4,317,373.41</u>	<u>4,265,298.52</u>	<u>52,074.89</u>	<u>1.22</u>
New General Appropriations	<u>2,777,247.29</u>	<u>2,861,527.55</u>	(84,280.26)	2.95
Agency Specific Budget	2,153,948.42	2,291,819.69	(137,871.27)	6.02
Special Account in the General Fund	9,000.00	-	9,000.00	
Special Purpose Funds	614,298.87	569,707.86	44,591.01	7.83
Automatic Appropriations	1,540,126.11	1,403,770.97	136,355.15	9.71
Continuing Appropriations	<u>264,797.45</u>	<u>20,471.15</u>	<u>244,326.30</u>	<u>1,193.52</u>
Unreleased Appropriations	98,681.75	4,834.88	93,846.86	1,941.04
Unobligated Allotments	<u>166,115.71</u>	<u>15,636.27</u>	<u>150,479.44</u>	962.37
Total	<u>4,582,170.86</u>	<u>4,285,769.67</u>	<u>296,401.19</u>	<u>6.92</u>

The components of FY 2019 appropriations, by allotment class, are: Personnel Services (PS) – P1.188 trillion, Maintenance and Other Operating Expenses (MOOE) – P1.659 trillion, Financial Expenses (FinEx) – P362.43 billion, and Capital Outlay (CO) – P1.373 trillion. Chart II-2 presents the comparative appropriations by allotment class for FYs 2019 and 2018.

**Chart II-2 Comparative Appropriations by Allotment Class
FYs 2019 and 2018
(in billion pesos)**



The appropriations for PS of P1.188 trillion represented 25.93 percent of the total budget. This increased by P116.34 billion or 10.85 percent compared to the FY 2018 of P1.072 trillion. A substantial portion of the appropriation is to provide for wage increase for government employees, salary adjustments of military and uniformed personnel, and hiring of teachers, police officers and jail guards.

The appropriations for MOOE of P1.659 trillion constituted 36.20 percent of the total budget for FY 2019, which registered P274.14 billion or 19.80 percent more than the FY 2018 amount of P1.385 trillion. Appropriations for MOOE include the requirements for the delivery of government programs and services especially for human capital development (Pantawid Pamilyang Pilipino, National Health Insurance, Universal Access to Quality Tertiary Education and K-to-12 Program), subsidies to government corporations and allocations to local government units.

The appropriations for CO comprised 29.96 percent of the total budget. It is allocated for the Build, Build, Build Program such as: public roads, rail, port, and airport infrastructure, school and hospital buildings, telecommunications facilities, information technology (IT) systems development and equity contributions to government corporations. The appropriations for CO decreased by P100.83 billion due to the P95.37 billion worth of infrastructure projects under the DPWH subjected to direct veto by the President.

Appropriations for FinEx of P362.43 billion, intended for interest payments on domestic and foreign loans, include funds for management supervision/trusteeship fees, interest expenses, guarantee fees, bank charges and commitment fees, and other financial charges incurred in owning or borrowing an asset property. Compared to the FY 2018 amount of P355.68 billion, the FY 2019 appropriations for FinEx increased by P6.75 billion or 1.90 percent.

Table II-4 presents the top ten departments/offices with the highest appropriations for FY 2019.

**Table II-4 Appropriations of Top Ten Departments/Offices
FY 2019
(in million pesos)**

Department/Office/Particulars	Amount	Percent Distribution
Finance	1,755,896.62	38.32
Public Works and Highways	567,619.99	12.39
Education	550,702.07	12.02
Interior and Local Government	295,899.78	6.46
National Defense	286,869.91	6.26
Social Welfare and Development	149,681.84	3.27
Health	115,848.63	2.53
Transportation	114,720.23	2.50
Other Executive Offices	95,423.89	2.08
State Universities and Colleges	71,658.93	1.56
Other Departments/Offices and Unreleased		
Special Purpose Fund	<u>577,848.97</u>	<u>12.61</u>
Total	<u>4,582,170.86</u>	<u>100.00</u>

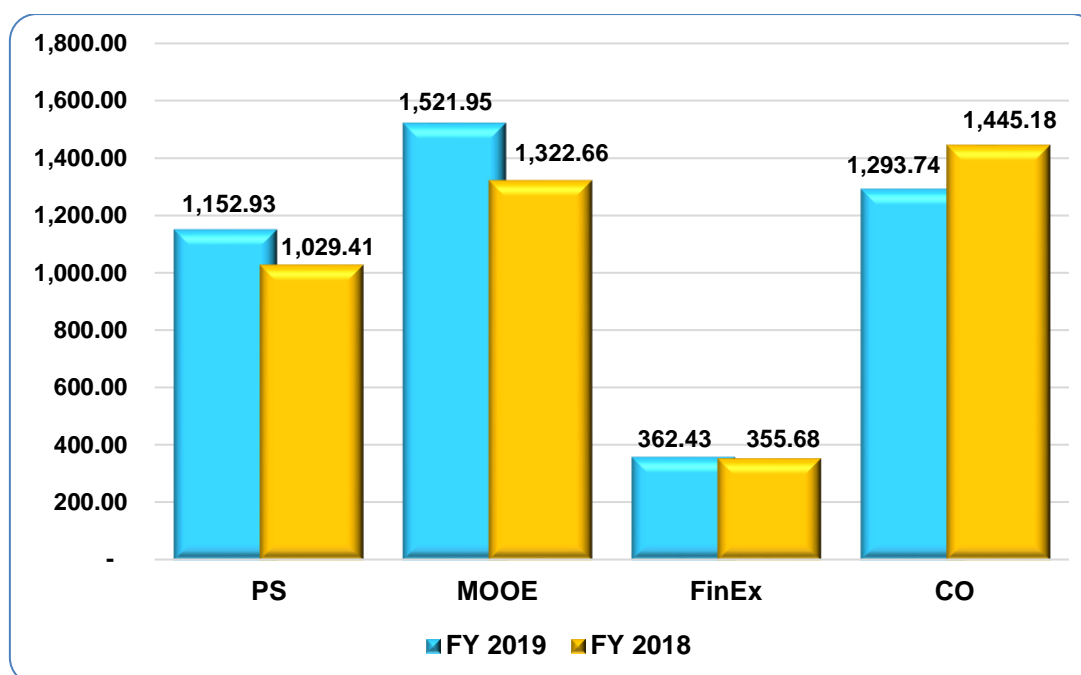
The Department of Finance (DOF) reported the highest amount of appropriations of P1.756 trillion representing 38.32 percent of the total appropriations, of which P849.21 billion or 48.36 percent for debt service, and P575.53 billion or 32.78 percent for Internal Revenue Allotments (IRA) for release to LGUs through the Bureau of the Treasury (BTr). The DPWH and DepEd followed with P567.62 billion and P550.70 billion, respectively.

Allotments – P4.331 trillion

For FY 2019 total allotments of P4.331 trillion, P4.124 trillion or 95.22 percent came from current year's appropriations and P207.14 billion or 4.78 percent from continuing appropriations. Of the allotments from current year's appropriations, P2.584 trillion or 62.65 percent was funded from the new general appropriations and P1.540 trillion or 37.35 percent from automatic appropriations.

The components of FY 2019 allotments by class are as follows: PS – P1.153 trillion, MOOE – P1.522 trillion, FinEx – P362.43 billion, and CO – P1.294 trillion. Chart II-3 presents the comparative allotments by class for FYs 2019 and 2018.

Chart II-3 Comparative Allotments by Class
FYs 2019 and 2018
(in billion pesos)



Of the allotments from continuing appropriations, P41.02 billion originated from unreleased appropriations while P166.12 billion from extended allotments from prior year's unobligated allotments. Table II-5 shows the comparative allotments by source for FYs 2019 and 2018.

Table II-5 Comparative Allotments by Source
FYs 2019 and 2018
(in million pesos)

Source	Amount		Increase/ (Decrease)	
	FY 2019	FY 2018	Amount	Percent
Current Year's Appropriations	<u>4,123,909.91</u>	<u>4,132,471.88</u>	<u>(8,561.97)</u>	<u>0.21</u>
New General Appropriations	<u>2,583,783.80</u>	<u>2,728,700.92</u>	<u>(144,917.12)</u>	5.31
Agency Specific Budget	2,085,729.07	2,256,897.14	(171,168.07)	7.58
Special Account in the General Fund	9,000.00		9,000.00	
Special Purpose Funds	489,054.73	471,803.77	17,250.95	3.66
Automatic Appropriations	1,540,126.11	1,403,770.97	136,355.15	9.71
Continuing Appropriations	<u>207,135.85</u>	<u>20,454.68</u>	<u>186,681.17</u>	<u>912.66</u>
Unreleased Appropriations	41,020.14	4,818.41	36,201.73	751.32
Unobligated Allotments	166,115.71	15,636.27	150,479.44	962.37
Total	<u>4,331,045.76</u>	<u>4,152,926.57</u>	<u>178,119.19</u>	<u>4.29</u>

Of the total allotments of P2.584 trillion from the current year's new general appropriations, P2.086 trillion or 80.72 percent was Agency Specific Budget (ASB), P9.00 billion or 0.35 percent was SAGF for the Rice Competitiveness Enhancement Fund, and P489.05 billion or 18.93 percent was Special Purpose Funds (SPF).

SPF represents disaggregated and lump-sum funds allocated for specific purposes. However, these funds, particularly lump-sum funds, are not yet distributed to the specific recipient-

agencies during budget preparation. Specific programs and projects are only identified during budget execution, based on the nature of the fund.

Among the components of the SPF, the biggest amounts were released from: a) Budgetary Support to Government Corporations (BSGC) – P187.43 billion or 35.22 percent; b) Pension Gratuity Fund (PGF) – P117.02 billion or 21.99 percent; c) Unprogrammed Appropriations – P80.57 billion or 15.14 percent; and d) Allocation to Local Government Units (ALGU) – P74.98 billion or 14.09 percent.

The breakdown of allotments from SPF is presented in Table II-6.

Table II-6 Allotments from Special Purpose Fund by Source
FY 2019
(in million pesos)

Fund	Amount			
	Total	Current Year's Appropriations	Continuing Appropriations	
			Unreleased Appropriations	Unobligated Allotments
<i>Budgetary Support to GOCCs</i>	187,430.82	186,753.89	676.93	-
<i>Allocation to Local Government Units</i>	<u>74,984.89</u>	<u>56,137.55</u>	<u>18,596.19</u>	<u>251.15</u>
a. Metropolitan Manila Development Authority	3,565.32	3,366.95	-	198.37
b. Special Shares of LGUs in the Proceeds of National Taxes	37,331.07	21,057.63	16,273.44	-
c. Barangay Officials Death Benefits Fund	27.80	5.81	21.38	0.61
d. Local Government Support Fund	34,060.70	31,707.15	2,301.38	52.17
<i>Contingent Fund</i>	18,982.50	13,000.00	3,197.28	2,785.22
<i>Miscellaneous Personnel Benefits Fund (MPBF)</i>	31,181.78	31,175.85	0.46	5.47
<i>National Disaster Risk Reduction and Management Fund (NDRRMF)/ Calamity Fund</i>	22,047.61	13,774.07	4,420.52	3,853.03
<i>Pension and Gratuity Fund (PGF)</i>	117,015.32	117,001.50	-	13.82
<i>Unprogrammed Appropriations</i>	<u>80,569.20</u>	<u>71,211.87</u>	=	<u>9,357.33</u>
Support for Infrastructure Projects and Social Programs	21,009.25	11,800.43	-	9,208.82
Budgetary Support to GOCCs	7,891.09	7,891.09	-	-
Support to Foreign-Assisted Projects	25,778.01	25,629.50	-	148.51
General Fund Adjustments for the Share of the ARMM pursuant to R.A. No. 9054	570.18	570.18	-	-
For Payment of Pension Arrearages	22,128.92	22,128.92	-	-
For Payment of Arrears of LTO – IT Services	1,191.74	1,191.74	-	-
For the Implementation of the Organic Law for the Bangsamoro Region in Muslim Mindanao	<u>2,000.00</u>	<u>2,000.00</u>	=	=
Total	<u>532,212.12</u>	<u>489,054.73</u>	<u>26,891.38</u>	<u>16,266.01</u>

Of the budgetary support to GCs, the Philippine Health Insurance Corporation (PhilHealth) received the highest subsidy of P67.62 billion to accommodate beneficiaries of the National Health Insurance Program.

Table II-7 presents the list of GCs with allotment releases for budgetary support, equity investments and tax subsidies from NG.

**Table II-7 Allotment Releases for Government Corporations,
by Purpose for FY 2019
(in million pesos)**

Government Corporation	Amount			
	Total	Budgetary Support	Equity Investment	Tax Subsidy
Philippine Health Insurance Corporation	67,623.34	67,623.34		
Land Bank of the Philippines	36,488.00	36,488.00		
National Irrigation Administration	34,953.41	34,953.41		
Bases Conversion and Development Authority	15,119.86	15,119.86		
National Food Authority	12,980.80	7,000.00		5,980.80
Light Rail Transit Authority	5,318.99	5,318.99		
National Electrification Administration	5,136.72	5,124.83		11.89
Philippine Crop Insurance Corporation	3,500.00	3,500.00		
Philippine Deposit Insurance Corporation	3,025.08			3,025.08
Philippine National Railways	1,630.00	1,630.00		
Small Business Corporation	1,500.00	1,500.00		
National Development Company	1,498.87	1,498.87		
Philippine Coconut Authority	1,236.36	1,236.36		
Philippine Heart Center	1,183.89	1,183.89		
National Housing Authority	1,165.21	1,165.21		
Philippine Children's Medical Center	1,083.06	1,083.06		
National Power Corporation	1,028.99	1,028.99		
National Kidney and Transplant Institute	884.86	884.86		
Philippine Rice Research Institute	771.51	771.51		
Philippine Fisheries Development Authority	765.19	765.19		
Social Housing Finance Corporation	731.42	731.42		
People's Television Network, Inc.	726.32	726.32		
Development Academy of the Philippines	556.48	556.48		
Philippine Postal Corporation	541.32	541.32		
Home Guaranty Corporation	500.00	500.00		
National Home Mortgage Finance Corporation	500.00	500.00		
Subic Bay Metropolitan Authority	487.30	487.30		
Cultural Center of the Philippines	420.17	420.17		
Tourism Infrastructure and Enterprise Zone Authority	410.00	410.00		
Zamboanga City Special Economic Zone Authority	398.24	51.58	346.66	
Government Service Insurance System	389.19			389.19
Sugar Regulatory Administration	350.00	350.00		
Local Water Utilities Administration	325.32	325.32		
National Dairy Authority	299.57	299.57		
Center for International Trade Expositions and Missions	279.23	279.23		
Lung Center of the Philippines	232.87	232.87		
Authority of the Freeport Area of Bataan	211.53	20.00	191.53	
Philippine Institute for Development Studies	165.69	165.69		
Southern Philippines Development Authority	153.50	153.50		
Philippine Institute of Traditional and Alternative Health Care	142.62	142.62		
Cagayan Economic Zone Authority	141.24	101.24	40.00	
Philippine Tax Academy	114.64	114.64		

Government Corporation	Amount			
	Total	Budgetary Support	Equity Investment	Tax Subsidy
Credit Information Corporation	110.31	110.31		
Aurora Pacific Economic Zone and Freeport Authority	58.72	48.72	10.00	
Philippine Center for Economic Development	28.26	28.26		
Total	<u>205,174.80</u>	<u>195,179.65</u>	<u>588.19</u>	<u>9,406.96</u>

Total allotments from automatic appropriations amounted to P1.540 trillion of which, a total of P1.425 trillion or 92.47 percent were for debt service and IRA amounting to P849.21 billion and P575.53 billion, respectively. Allotments for debt service consists of P488.34 billion for payment of principal and P360.87 billion for interest expenses.

The total allotments from continuing appropriations of P207.14 billion, posted an increase of P186.68 billion or more than 9 times over the previous year of P20.45 billion. Of the total, P166.12 billion or 80.20 percent was from the forwarded unobligated allotments of previous year, and P41.02 billion or 19.80 percent was from unreleased appropriations.

Table II-8 presents the top ten departments/offices with the highest allotments for FY 2019.

**Table II-8 Top Ten Departments/Offices with Highest Allotments
FY 2019
(in million pesos)**

Department/Office/Particulars	Amount	Percent Distribution
Finance	1,753,669.19	40.49
Public Works and Highways	551,589.94	12.74
Education	544,864.99	12.58
Interior and Local Government	294,428.80	6.80
National Defense	274,821.93	6.35
Social Welfare and Development	148,517.68	3.43
Health	111,329.14	2.57
Transportation	108,986.68	2.52
Other Executive Offices	80,694.12	1.86
State Universities and Colleges	68,778.69	1.59
Other Departments/Offices	<u>393,364.60</u>	<u>9.08</u>
Total	<u>4,331,045.76</u>	<u>100.00</u>

Unreleased Appropriations – P251.13 billion

The unreleased balance of appropriations for FY 2019 of P251.13 billion represents the difference between the total appropriations of P4.582 trillion and the total allotments of P4.331 trillion. Table II-9 presents the detailed unreleased appropriations by source and by allotment class.

Table II-9 Unreleased Appropriations by Source, by Allotment Class
FY 2019
(in million pesos)

Source	Appropriations	Allotments	Unreleased Appropriation
Current Year's Appropriations	<u>4,317,373.41</u>	<u>4,123,909.91</u>	<u>193,463.49</u>
PS	1,186,800.30	1,151,538.81	35,261.48
MOOE	1,532,697.83	1,437,513.05	95,184.78
FinEx	362,296.59	362,296.09	0.51
CO	1,235,578.69	1,172,561.96	63,016.73
New General Appropriations	<u>2,777,247.29</u>	<u>2,583,783.80</u>	<u>193,463.49</u>
Agency Specific Budget	<u>2,153,948.42</u>	<u>2,085,729.07</u>	<u>68,219.35</u>
PS	942,194.90	927,820.77	14,374.13
MOOE	557,474.91	536,381.69	21,093.22
FinEx	1,422.59	1,422.08	0.51
CO	652,856.03	620,104.53	32,751.50
Special Account in the General Fund	<u>9,000.00</u>	<u>9,000.00</u>	-
MOOE	3,836.89	3,836.89	-
CO	5,163.11	5,163.11	-
Special Purpose Funds	<u>614,298.87</u>	<u>489,054.73</u>	<u>125,244.15</u>
PS	191,213.27	170,325.91	20,887.35
MOOE	359,922.16	285,830.59	74,091.56
CO	63,163.45	32,898.22	30,265.23
Automatic Appropriations	<u>1,540,126.11</u>	<u>1,540,126.11</u>	-
PS	53,392.13	53,392.13	-
MOOE	611,463.87	611,463.87	-
FinEx	360,874.01	360,874.01	-
CO	514,396.11	514,396.11	-
Continuing Appropriations	<u>264,797.45</u>	<u>207,135.85</u>	<u>57,661.60</u>
PS	1,394.19	1,394.19	-
MOOE	126,130.44	84,434.72	41,695.72
FinEx	132.19	132.19	-
CO	137,140.62	121,174.74	15,965.88
Unreleased Appropriations	<u>98,681.75</u>	<u>41,020.14</u>	<u>57,661.60</u>
Agency Specific Budget	<u>16,284.68</u>	<u>14,128.76</u>	<u>2,155.92</u>
MOOE	1,069.88	196.34	873.54
CO	15,214.80	13,932.42	1,282.38
Special Purpose Funds	<u>82,397.06</u>	<u>26,891.38</u>	<u>55,505.68</u>
MOOE	61,862.52	21,040.33	40,822.18
CO	20,534.55	5,851.05	14,683.50
Unobligated Allotments	<u>166,115.71</u>	<u>166,115.71</u>	-
Agency Specific Budget	<u>149,165.09</u>	<u>149,165.09</u>	-
PS	1,315.37	1,315.37	-
MOOE	56,541.93	56,541.93	-
FinEx	132.19	132.19	-
CO	91,175.60	91,175.60	-
Special Purpose Funds	<u>16,266.01</u>	<u>16,266.01</u>	-
PS	19.23	19.23	-
MOOE	6,034.86	6,034.86	-
CO	10,211.92	10,211.92	-
Automatic Appropriations	<u>684.60</u>	<u>684.60</u>	-
PS	59.59	59.59	-
MOOE	621.26	621.26	-
CO	3.75	3.75	-
Total	<u>4,582,170.86</u>	<u>4,331,045.76</u>	<u>251,125.10</u>

Of the total unreleased appropriations, P193.46 billion or 77.04 percent came from the current year's new general appropriations and P57.66 billion or 22.96 percent from continuing appropriations. The ASB registered P68.22 billion and SPF with P125.24 billion of the unreleased balances from new general appropriations, while for the unreleased balances from continuing appropriations, the ASB and SPF posted at P2.16 billion and P55.51 billion, respectively.

Compared to the previous year balance of P132.84 billion, FY 2019 unreleased appropriations increased by P118.28 billion or 89.04 percent.

Table II-10 presents the comparative unreleased appropriations by source for FYs 2019 and 2018.

**Table II-10 Comparative Unreleased Appropriations by Source
FYs 2019 and 2018
(in million pesos)**

Source	Amount		Increase/ (Decrease)	
	FY 2019	FY 2018	Amount	Percent
Current Year Appropriations	<u>193,463.49</u>	<u>132,826.63</u>	<u>60,636.86</u>	<u>45.65</u>
New General Appropriations	<u>193,463.49</u>	<u>132,826.63</u>	<u>60,636.86</u>	45.65
Agency Specific Budget	<u>68,219.35</u>	<u>34,922.55</u>	<u>33,296.80</u>	95.34
Special Purpose Funds	<u>125,244.15</u>	<u>97,904.09</u>	<u>27,340.06</u>	27.93
Continuing Appropriations	<u>57,661.60</u>	<u>16.47</u>	<u>57,645.13</u>	<u>350,032.96</u>
Agency Specific Budget	<u>2,155.92</u>	<u>16.47</u>	<u>2,139.45</u>	12,991.18
Special Purpose Funds	<u>55,505.68</u>	-	<u>55,505.68</u>	
Total	<u>251,125.10</u>	<u>132,843.10</u>	<u>118,282.00</u>	<u>89.04</u>

For FY 2019, total unreleased appropriations of SPF from current and continuing appropriations posted at P180.75 billion of which, P151.99 billion or 84.09 percent pertained to Unprogrammed Appropriations/Fund. The unreleased appropriations from SPF, by source are shown in Table II-11.

**Table II-11 Unreleased Appropriations from
Special Purpose Funds by Source
FY 2019
(in million pesos)**

Particulars	Total	Current Year Appropriations R. A. No. 11260	Continuing Appropriations R. A. No. 10964
<i>Budgetary Support to GOCCs</i>	<u>580.00</u>	<u>157.34</u>	<u>422.65</u>
Maintenance and Other Operating Expenses	580.00	157.34	422.65
<i>Allocation to Local Government Units</i>	<u>13,573.91</u>	<u>7,583.54</u>	<u>5,990.37</u>
Maintenance and Other Operating Expenses	<u>13,573.91</u>	<u>7,583.54</u>	<u>5,990.37</u>
a. Special Shares of LGUs in the Proceeds of			
National Taxes	<u>9,609.48</u>	<u>6,266.37</u>	<u>3,343.11</u>
Share in the Utilization and Development of National Wealth under R.A. Nos. 7160 and 9513	835.90	203.39	632.51
Share in the Gross Income Taxes paid by all Businesses and Enterprises within the ECOZONES pursuant to R.A. No. 7922	5.03	5.03	0.00
Share in Incremental Collections from Value Added Tax pursuant to R.A. Nos. 7643 and 8424	8,752.44	6,042.07	2,710.36
Share in Value Added Tax in Lieu of Franchise Tax pursuant to R.A. No. 6632, as amended by R.A. No. 7953 and R.A. No. 6331, as amended by R.A. No. 8407	1.49	1.26	0.23
Share in 2% Special Privilege Tax pursuant to R.A. No. 7156	14.62	14.62	-
b. Barangay Officials Death Benefits Fund	44.19	44.19	-
c. Local Government Support Fund	3,420.24	1,022.98	2,397.27

Particulars	Total	Current Year Appropriations R. A. No. 11260	Continuing Appropriations R. A. No. 10964
d. Special Shares of LGUs in the Proceeds of Fire			
Code Fees	500.00	250.00	250.00
<i>Contingent Fund</i>	<u>372.62</u>	=	<u>372.62</u>
Maintenance and Other Operating Expenses	371.19	-	371.19
Capital Outlays	1.42	-	1.42
<i>Miscellaneous Personnel Benefits Fund</i>	<u>4,552.21</u>	<u>4,353.42</u>	<u>198.79</u>
Personnel Services	4,155.13	4,155.13	-
Maintenance and Other Operating Expenses	397.08	198.29	198.79
<i>National Disaster Risk Reduction and Management Fund</i>	<u>6,947.36</u>	<u>6,225.93</u>	<u>721.43</u>
Maintenance and Other Operating Expenses	2,781.85	2,781.85	-
Capital Outlays	4,165.51	3,444.08	721.43
<i>Pension and Gratuity Fund</i>	<u>2,736.21</u>	=	<u>2,736.21</u>
Maintenance and Other Operating Expenses	2,736.21	-	2,736.21
<i>Unprogrammed Appropriations/Fund</i>	<u>151,987.52</u>	<u>106,923.91</u>	<u>45,063.61</u>
Personnel Services	16,732.22	16,732.22	-
Maintenance and Other Operating Expenses	94,473.51	63,370.54	31,102.96
Capital Outlays	40,781.79	26,821.15	13,960.65
AFP Modernization Program (CO)	5,000.00	-	5,000.00
Budgetary Support to Government-Owned and/or Controlled Corporations (CO)	4,000.00	-	4,000.00
Support to Foreign-Assisted Projects	<u>29,888.95</u>	<u>27,398.04</u>	<u>2,490.91</u>
Maintenance and Other Operating Expenses	1,007.16	826.90	180.26
Capital Outlays	28,881.79	26,571.15	2,310.65
Risk Management Program (MOOE)	26,661.66	6,272.51	20,389.15
General Fund Adjustments for Use of Excess Income by Agencies	<u>215.00</u>	=	<u>215.00</u>
Maintenance and Other Operating Expenses	115.00	-	115.00
Capital Outlays	100.00	-	100.00
General Fund Adjustments for the Share of the ARMM pursuant to R.A. No. 9054 (MOOE)	229.82	229.82	-
General Fund Adjustments for Forex Fluctuation	<u>400.00</u>	<u>200.00</u>	<u>200.00</u>
Maintenance and Other Operating Expenses	300.00	150.00	150.00
Capital Outlays	100.00	50.00	50.00
Refund of the Service Development Fee for the Right to Develop the Nampedai Property in Tokyo, Japan (MOOE)	421.16	210.58	210.58
Prior Year's LGU Shares (MOOE)	885.96	422.48	463.48
Provision for Payment of Arrears of LTO-IT Service (MOOE)	17,708.26	8,258.26	9,450.00
For Payment of Pension Arrearages (PS)	11,732.22	11,732.22	-
Northrail-Southrail Linkage Project Phase I – Payment of Outstanding Obligations (CO)	200.00	200.00	-
Implementation of the Proposed National Government Rightsizing Program (PS)	5,000.00	5,000.00	-
Rice Competitiveness Enhancement Fund (MOOE)	1,000.00	1,000.00	-
For the Implementation of the Organic Law for the Bangsamoro Region in Muslim Mindanao (MOOE)	28,000.00	28,000.00	-
For the Implementation of the Universal Health Care (MOOE)	18,000.00	18,000.00	-
Bangon Marawi Fund	<u>2,644.50</u>	=	<u>2,644.50</u>
Maintenance and Other Operating Expenses	144.50	-	144.50
Capital Outlays	2,500.00	-	2,500.00
Total	<u>180,749.83</u>	<u>125,244.15</u>	<u>55,505.68</u>

The DPWH, OEO and DND topped the departments/offices with unreleased appropriations of P16.03 billion, P14.73 billion and P12.05 billion, respectively. Table II-12 shows the unreleased balances of appropriations of top ten departments/offices for FY 2019.

**Table II-12 Top Ten Departments/Offices with Highest Unreleased Appropriations
FY 2019
(in million pesos)**

Department/Office/Particulars	Amount	Percent Distribution
Public Works and Highways	16,030.04	6.38
Other Executive Offices	14,729.77	5.87
National Defense	12,047.98	4.80
Education	5,837.08	2.32
Transportation	5,733.55	2.28
Health	4,519.49	1.80
State Universities and Colleges	2,880.23	1.15
Finance	2,227.43	0.89
Information and Communications Technology	1,535.35	0.61
Interior and Local Government	1,470.98	0.59
Other Departments/Offices and Unreleased		
Special Purpose Funds	<u>184,113.18</u>	<u>73.32</u>
Total	<u>251,125.10</u>	<u>100.00</u>

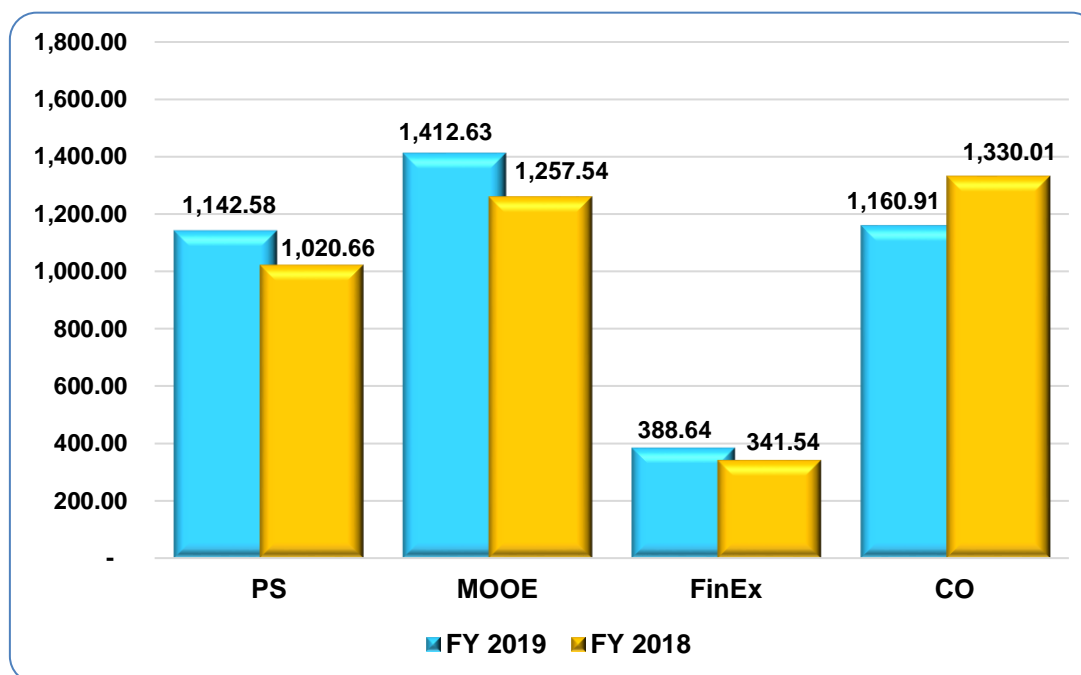
The balance from current year appropriations of P193.46 billion was retained as continuing appropriations pursuant to R.A. No. 11464, “An Act Extending the Availability of the 2019 Appropriations to December 31, 2020, Amending for the Purpose Section 65 of the General Provisions of R.A. 11260, the General Appropriations Act of FY 2019” dated December 20, 2019.

The balance of unreleased continuing appropriations of P57.66 billion was reverted back to the unappropriated surplus of the General Fund pursuant to Congress Joint Resolution No. 3 dated December 26, 2018.

Obligations – P4.105 trillion

For FY 2019, the total obligations incurred amounted to P4.105 trillion, which represents 94.78 percent of the total allotments of P4.331 trillion. Of the total obligations, P4.078 trillion or 99.34 percent was covered by allotments while P27.07 billion was not covered by allotments. Chart II-5 shows the comparative obligations by allotment class for FYs 2019 and 2018.

Chart II-4 Comparative Obligations, by Allotment Class
FYs 2019 and 2018
(in billion pesos)



The total obligations registered an increment of P155.01 billion or 3.92 percent over the previous year figure of P3.950 trillion. It consists of P3.953 trillion or 96.30 percent charged to current year appropriations and P151.75 billion or 3.70 percent charged to continuing appropriations. Table II-13 shows the obligations, by source for FYs 2019 and 2018.

Table II-13 Comparative Obligations, by Source
FYs 2019 and 2018
(in million pesos)

Source	Amount		Increase/ (Decrease)	
	FY 2019	FY 2018	Amount	Percent
Current Year Appropriations	<u>3,953,004.76</u>	<u>3,931,903.14</u>	<u>21,101.63</u>	<u>0.54</u>
New General Appropriations	2,397,402.13	2,553,712.95	(156,310.82)	6.12
Agency Specific Budget	1,933,420.89	2,099,581.06	(166,160.17)	7.91
Special Account in the General Fund	3,119.75	-	3,119.75	
Special Purpose Funds	460,861.48	454,131.88	6,729.60	1.48
Automatic Appropriations	1,555,602.24	1,378,190.19	177,412.24	12.87
Continuing Appropriations	<u>151,751.98</u>	<u>17,847.89</u>	<u>133,904.09</u>	<u>750.25</u>
Unreleased Appropriations	34,359.26	4,812.30	29,546.96	613.99
Unobligated Allotments	117,392.72	13,035.59	104,357.13	800.56
Total	<u>4,104,756.74</u>	<u>3,949,751.03</u>	<u>155,005.72</u>	<u>3.92</u>

DOF, DepEd and DPWH reported the highest obligations with P1.753 trillion, P517.90 billion, and P483.85 billion, respectively. Table II-14 shows the top ten departments/offices with highest obligations incurred for FY 2019.

**Table II-14 Top Ten Departments/Offices with Highest Obligations
FY 2019
(in million pesos)**

Department/Office	Amount	Percent Distribution
Finance	1,752,637.02	42.70
Education	517,902.61	12.62
Public Works and Highways	483,849.91	11.79
Interior and Local Government	287,585.76	7.01
National Defense	266,630.07	6.50
Social Welfare and Development	138,619.82	3.38
Health	98,322.76	2.40
Transportation	91,729.77	2.23
State Universities and Colleges	66,816.44	1.63
Agriculture	51,886.09	1.26
Other Departments/Offices	<u>348,776.51</u>	<u>8.50</u>
Total	<u>4,104,756.74</u>	<u>100.00</u>

Overdraft in Allotments – P27.07 billion

Obligations of P27.07 billion, charged to current year appropriation, but not covered with allotments, comprised of: PS – P228.58 million, MOOE – P4.12 million, FinEx – P26.74 billion and CO – P100.25 million. Table II-15 shows the list of NGAs with incurred overdraft in allotments.

**Table II-15 Departments/Office with Overdraft
FY 2019
(in thousand pesos)**

Department/Office	Total	PS	MOOE	FinEx	CO
Finance	<u>26,742,614.51</u>	-	<u>3,929.83</u>	<u>26,738,684.68</u>	-
Bureau of the Treasury	26,738,684.68	-	-	26,738,684.68	-
Insurance Commission	3,929.83	-	3,929.83	-	-
Information and Communications					
Technology	<u>24,635.43</u>	<u>24,635.43</u>	-	-	-
Office of the Secretary	24,635.43	24,635.43	-	-	-
Social Welfare and Development	<u>6,685.41</u>	<u>6,685.41</u>	-	-	-
National Commission on Indigenous Peoples	6,685.41	6,685.41	-	-	-
Trade and Industry	<u>1,870.61</u>	<u>1,681.69</u>	<u>188.93</u>	-	-
Cooperative Development Authority	1,086.39	1,086.39	-	-	-
Technical Education and Skills Development Authority	784.23	595.30	188.93	-	-
Other Executive Offices	<u>126,604.28</u>	<u>26,350.95</u>	-	-	<u>100,253.34</u>
Commission on Filipinos Overseas	265.26	265.26	-	-	-
National Commission for Culture and the Arts	100,253.34	-	-	-	100,253.34
Philippine Drug Enforcement Agency	26,085.69	26,085.69	-	-	-
Bangsamoro Autonomous Region in Muslim Mindanao	<u>158,034.99</u>	<u>158,034.99</u>	-	-	-
Autonomous Regional Government in Muslim Mindanao	158,034.99	158,034.99	-	-	-
The Judiciary	<u>11,193.48</u>	<u>11,193.48</u>	-	-	-
Court of Appeals	11,193.48	11,193.48	-	-	-
Total	<u>27,071,638.71</u>	<u>228,581.94</u>	<u>4,118.76</u>	<u>26,738,684.68</u>	<u>100,253.34</u>

The overdraft in FinEx of P26.74 billion represents Debt Service of which the DBM issued on December 27, 2019 a negative Special Allotment Release Order (SARO) No. SARO-BMB-A-19-0027840 in the amount of P38.70 billion.

Of the total overdraft in MOOE of P4.12 million, the Insurance Commission incurred P3.93 million due to the use of Multi-Year Obligational Authority as bases of obligations instead of requesting revalidation of previous years' unobligated allotments under Automatic Appropriations.

The National Commission for Culture and the Arts (NCCA) – Proper incurred overdraft in CO of P100.25 million due to the erroneous release by the DBM of allotments to cover the seed capital for the creation of National Endowment for Culture and the Arts and for the purchase of printing equipment as MOOE instead of CO. The NCCA requested DBM for modification through its letter dated December 19, 2019, however, the latter only received the letter on January 8, 2020 hence, not acted upon favorably.

The following list shows the details of overdraft incurred for PS:

Department/Office	Amount	Nature of Overdraft
Information and Communications Technology	<u>24,635.43</u>	
Office of the Secretary	24,635.43	Payment of magna carta for science and technology personnel authorized under R.A. No. 8439 without requesting allotments for the said purpose from the DBM
Social Welfare and Development	<u>6,685.41</u>	
National Commission on Indigenous Peoples	6,685.41	Payment for filling-up of 22 unfunded regular positions
Trade and Industry	<u>1,681.69</u>	
Cooperative Development Authority	1,086.39	Payment for unfunded PS in the following extension offices: Pagadian – P600.65 thousand, Calamba – P433.47 thousand and Caraga – P52.26 thousand
Technical Education and Skills Development Authority	595.30	Payment of salaries and step-increments
Other Executive Offices	<u>26,350.95</u>	
Commission on Filipinos Overseas	265.26	Payment of salaries of promoted employees and filling-up of newly created but unfunded positions
Philippine Drug Enforcement Agency	26,085.69	Payment of salaries and allowances of newly hired employees
Bangsamoro Autonomous Region in Muslim Mindanao	<u>158,034.99</u>	
Autonomous Regional Government in Muslim Mindanao	158,034.99	Payment of salaries, retirement gratuity, terminal leave, and other personnel benefits
The Judiciary	<u>11,193.48</u>	
Court of Appeals	11,193.48	Payment of personnel services charged to appropriations "For Later Release"
Total	<u>228,581.94</u>	

Unobligated Allotments – P253.36 billion

The unobligated allotments amounting to P253.36 billion represents the difference between total allotments of P4.331 trillion and the total obligations covered by allotments of P4.078 trillion. Table II-16 shows the unobligated allotments by source and by class.

Table II-16 Unobligated Allotments by Source, by Class
FY 2019
(in million pesos)

Source	Allotments	Obligations Covered by Allotments	Unobligated Allotments
Current Year's Appropriations	<u>4,123,909.91</u>	<u>3,925,933.12</u>	<u>197,976.79</u>
PS	<u>1,151,538.81</u>	<u>1,141,405.99</u>	<u>10,132.83</u>
MOOE	<u>1,437,513.05</u>	<u>1,341,943.42</u>	<u>95,569.63</u>
FinEx	<u>362,296.09</u>	<u>361,773.97</u>	<u>522.12</u>
CO	<u>1,172,561.96</u>	<u>1,080,809.76</u>	<u>91,752.21</u>
New General Appropriations	<u>2,583,783.80</u>	<u>2,397,178.99</u>	<u>186,604.81</u>
Agency Specific Budget	<u>2,085,729.07</u>	<u>1,933,205.32</u>	<u>152,523.75</u>
PS	927,820.77	920,460.68	7,360.09
MOOE	536,381.69	467,138.72	69,242.97
FinEx	1,422.08	899.96	522.12
CO	620,104.53	544,705.96	75,398.56
Special Account in the General Fund	<u>9,000.00</u>	<u>3,119.75</u>	<u>5880.25</u>
MOOE	3,836.89	3,025.26	811.63
CO	5,163.11	94.49	5,068.62
Special Purpose Funds	<u>489,054.73</u>	<u>460,853.92</u>	<u>28,200.81</u>
PS	170,325.91	169,472.09	853.82
MOOE	285,830.59	262,250.48	23,580.11
CO	32,898.22	29,131.34	3,766.88
Automatic Appropriations	<u>1,540,126.11</u>	<u>1,528,754.13</u>	<u>11,371.98</u>
PS	53,392.13	51,473.22	1,918.91
MOOE	611,463.87	609,528.95	1,934.92
FinEx	360,874.01	360,874.00	0.00
CO	514,396.11	506,877.96	7,518.14
Continuing Appropriations	<u>207,135.85</u>	<u>151,751.98</u>	<u>55,383.87</u>
PS	<u>1,394.19</u>	<u>943.78</u>	<u>450.41</u>
MOOE	<u>84,434.72</u>	<u>70,682.12</u>	<u>13,752.60</u>
FinEx	<u>132.19</u>	<u>125.56</u>	<u>6.63</u>
CO	<u>121,174.74</u>	<u>80,000.52</u>	<u>41,174.22</u>
Unreleased Appropriations	<u>41,020.14</u>	<u>34,359.26</u>	<u>6,660.88</u>
Agency Specific Budget	<u>14,128.76</u>	<u>12,678.62</u>	<u>1,450.15</u>
MOOE	196.34	140.96	55.38
CO	13,932.42	12,537.66	1,394.76
Special Purpose Funds	<u>26,891.38</u>	<u>21,680.65</u>	<u>5,210.73</u>
MOOE	21,040.33	20,767.55	272.78
CO	5,851.05	913.10	4,937.95
Unobligated Allotments	<u>166,115.71</u>	<u>117,392.72</u>	<u>48,722.99</u>
Agency Specific Budget	<u>149,165.09</u>	<u>101,679.18</u>	<u>47,485.91</u>
PS	1,315.37	885.69	429.68
MOOE	56,541.93	43,426.51	13,115.41
FinEx	132.19	125.56	6.63
CO	91,175.60	57,241.41	33,934.19
Special Purpose Funds	<u>16,266.01</u>	<u>15,035.39</u>	<u>1,230.63</u>
PS	19.23	3.68	15.56
MOOE	6,034.86	5,727.01	307.85
CO	10,211.92	9,304.70	907.22
Automatic Appropriations	<u>684.60</u>	<u>678.15</u>	<u>6.46</u>
PS	59.59	54.51	5.18
MOOE	621.26	620.08	1.18
CO	3.75	3.65	0.10
Total	<u>4,331,045.76</u>	<u>4,077,685.10</u>	<u>253,360.66</u>

For FY 2019, total unobligated allotments of P253.36 billion consist of P197.98 billion or 78.14 percent from current year's appropriations and P55.38 billion or 21.86 percent from continuing appropriations. Of the current year's appropriations, P186.60 billion or 94.26 percent was funded from the new general appropriations and P11.37 billion or 5.74 percent from automatic appropriations.

Table II-17 shows the comparative unobligated allotments by source for FYs 2019 and 2018.

**Table II-17 Comparative Unobligated Allotments, by Source
FYs 2019 and 2018
(in million pesos)**

Source	Amount		Increase/ (Decrease)	
	FY 2019	FY 2018	Amount	Percent
Current Year's Appropriations	<u>197,976.79</u>	<u>200,656.11</u>	<u>(2,679.32)</u>	<u>1.34</u>
New General Appropriations	<u>186,604.81</u>	<u>175,005.22</u>	<u>11,599.58</u>	6.63
Agency Specific Budget	152,523.75	157,333.89	(4,810.14)	3.06
Special Account in the General Fund	5,880.25	-	5,880.25	
Special Purpose Funds	28,200.81	17,671.33	10,529.48	59.59
Automatic Appropriations	11,371.98	25,650.89	(14,278.91)	55.67
Continuing Appropriations	<u>55,383.87</u>	<u>2,606.79</u>	<u>52,777.07</u>	<u>2,024.60</u>
Unreleased Appropriations	6,660.88	6.11	6,654.77	108,879.10
Unobligated Allotments	<u>48,722.99</u>	<u>2,600.68</u>	<u>46,122.31</u>	1,773.47
Total	<u>253,360.66</u>	<u>203,262.91</u>	<u>50,097.75</u>	<u>24.65</u>

Of the unobligated balance from current year's new general appropriations of P186.60 billion, P152.52 billion from ASB and P28.20 billion from SPF were retained as continuing appropriations. While the balances of SAGF of P5.88 billion, automatic appropriations of P11.35 billion, and continuing appropriations of P53.06 billion were reverted to unappropriated surplus of the general fund.

For FY 2019, the DPWH, OEO and DOF reported the highest amounts of unobligated balances of P67.74 billion, P29.66 billion and P27.77 billion respectively.

Table II-18 shows the top ten departments/offices with unobligated allotments for FY 2019.

**Table II-18 Top Ten Departments/Offices with Unobligated Allotments
FY 2019
(in million pesos)**

Department/Office/Particulars	Amount	Percent Distribution
Public Works and Highways	67,740.04	26.74
Other Executive Offices	29,661.15	11.71
Finance	27,774.78	10.96
Education	26,962.39	10.64
Transportation	17,256.91	6.81
Health	13,006.38	5.13
Social Welfare and Development	9,904.54	3.91
Agriculture	8,556.45	3.38
National Defense	8,191.86	3.23
Interior and Local Government	6,843.04	2.70
Other Departments/Offices	<u>37,463.11</u>	<u>14.79</u>
Total	<u>253,360.66</u>	<u>100.00</u>

Disbursements – P3.581 trillion

For FY 2019, the total disbursements reported at P3.581 trillion, represents 87.23 percent of the total obligations of P4.105 trillion. Table II-19 shows the disbursements by allotment class for FY 2019.

**Table II-19 Disbursements by Allotment Class
FY 2019
(in million pesos)**

Allotment Class	Total	Current Year Appropriations	Continuing Appropriations
Total	<u>3,580,679.72</u>	<u>3,504,275.36</u>	<u>76,404.36</u>
PS	1,123,892.75	1,122,958.47	934.28
MOOE	1,248,253.99	1,198,945.68	49,308.31
FinEx	388,412.17	388,289.77	122.39
CO	820,120.81	794,081.43	26,039.38

Table II-20 presents the disbursements of top ten departments/offices for FY 2019.

**Table II-20 Disbursements of Top Ten Departments/Offices
FY 2019
(in million pesos)**

Department/Office/Particulars	Amount	Percent Distribution
Finance	1,694,061.91	47.31
Education	485,894.66	13.57
Public Works and Highways	273,150.53	7.63
Interior and Local Government	272,719.61	7.62
National Defense	229,497.44	6.41
Social Welfare and Development	116,415.24	3.25
Health	72,623.52	2.03
State Universities and Colleges	57,770.11	1.61
Other Executive Offices	45,275.08	1.26
Transportation	40,202.41	1.12
Other Departments/Offices	293,069.22	8.18
Total	<u>3,580,679.72</u>	<u>100.00</u>

Unpaid Obligations – P524.08 billion

For FY 2019, total unpaid obligations of the NG amounted to P524.08 billion or 12.77 percent of the total obligations of P4.105 trillion. Table II-21 presents the breakdown of unpaid obligations by allotment class, by source.

Table II-21 Unpaid Obligations by Source, by Class
FY 2019
(in million pesos)

Source	Obligations	Disbursements	Unpaid Obligations
Current Year's Appropriations	<u>3,953,004.76</u>	<u>3,504,275.36</u>	<u>448,729.41</u>
PS	1,141,634.57	1,122,958.47	18,676.10
MOOE	1,341,947.53	1,198,945.68	143,001.85
FinEx	388,512.65	388,289.77	222.88
CO	1,080,910.01	794,081.43	286,828.58
New General Appropriations	<u>2,397,402.13</u>	<u>1,959,844.29</u>	<u>437,557.83</u>
Agency Specific Budget	<u>1,933,420.89</u>	<u>1,583,141.80</u>	<u>350,279.10</u>
PS	920,676.06	905,572.24	15,103.82
MOOE	467,138.91	386,935.97	80,202.94
FinEx	899.96	677.09	222.88
CO	544,705.96	289,956.50	254,749.46
Special Account in the General Fund	<u>3,119.75</u>	<u>698.00</u>	<u>2,421.75</u>
MOOE	3,025.26	697.04	2,328.22
CO	94.49	0.96	93.53
Special Purpose Funds	<u>460,861.48</u>	<u>376,004.49</u>	<u>84,856.99</u>
PS	169,479.66	167,304.45	2,175.21
MOOE	262,250.48	205,196.41	57,054.07
CO	29,131.34	3,503.63	25,627.71
Automatic Appropriations	<u>1,555,602.64</u>	<u>1,544,431.06</u>	<u>11,171.57</u>
PS	51,478.85	50,081.79	1,397.07
MOOE	609,532.88	606,116.26	3,416.62
FinEx	387,612.69	387,612.69	0.00
CO	506,978.22	500,620.34	6,357.88
Continuing Appropriations	<u>151,751.98</u>	<u>76,404.36</u>	<u>75,347.62</u>
PS	943.78	934.28	9.50
MOOE	70,682.12	49,308.31	21,373.81
FinEx	125.56	122.39	3.17
CO	80,000.52	26,039.38	53,961.14
Unreleased Appropriations	<u>34,359.26</u>	<u>13,092.54</u>	<u>21,266.73</u>
Agency Specific Budget	<u>12,678.62</u>	<u>1,384.13</u>	<u>11,294.49</u>
MOOE	140.96	97.17	43.78
CO	12,537.66	1,286.95	11,250.71
Special Purpose Funds	<u>21,680.65</u>	<u>11,708.41</u>	<u>9,972.24</u>
MOOE	20,767.55	11,554.79	9,212.76
CO	913.10	153.62	759.48
Unobligated Allotments	<u>117,392.72</u>	<u>63,311.83</u>	<u>54,080.89</u>
Agency Specific Budget	<u>101,679.18</u>	<u>52,646.20</u>	<u>49,032.98</u>
PS	885.69	876.38	9.31
MOOE	43,426.51	32,950.02	10,476.50
FinEx	125.56	122.39	3.17
CO	57,241.41	18,697.41	38,544.00
Special Purpose Funds	<u>15,035.39</u>	<u>9,988.70</u>	<u>5,046.69</u>
PS	3.68	3.49	0.19
MOOE	5,727.01	4,087.46	1,639.55
CO	9,304.70	5,897.75	3,406.95
Automatic Appropriations	<u>678.15</u>	<u>676.93</u>	<u>1.22</u>
PS	54.41	54.41	-
MOOE	620.08	618.87	1.22
CO	3.65	3.65	-
Total	<u>4,104,756.74</u>	<u>3,580,679.72</u>	<u>524,077.02</u>

The following departments/offices reported the highest unpaid obligations: DPWH – P210.70 billion or 40.20 percent, DOF – P58.58 billion or 11.18 percent, and DOTr – P51.53 billion or 9.83 percent. Table II-22 shows the top ten departments/offices with unpaid obligations.

**Table II-22 Top Ten Department/Office Unpaid Obligations
FY 2019
(in million pesos)**

Department/Office/Particulars	Amount	Percent Distribution
Public Works and Highways	210,699.38	40.20
Finance	58,575.11	11.18
Transportation	51,527.36	9.83
National Defense	37,132.63	7.09
Education	32,007.95	6.11
Health	25,699.24	4.90
Social Welfare and Development	22,204.59	4.24
Interior and Local Government	14,866.14	2.84
Agriculture	14,297.24	2.73
Bangsamoro Autonomous Region in Muslim Mindanao	11,123.10	2.12
Other Departments/Offices	<u>45,944.28</u>	<u>8.77</u>
Total	<u>524,077.02</u>	<u>100.00</u>

The Statement of Appropriations, Allotments, Obligations, Disbursements and Balances for FY 2019, by department/office and by agency is presented in Part 6, Volume II of this Report.

Appropriations and Allotments for Foreign-Assisted Projects

For FY 2019, the appropriations and allotments for foreign-assisted projects posted at P101.88 billion and P73.02 billion, respectively.

Appropriations – P101.88 billion

Of the total current year appropriations for foreign-assisted projects, P47.57 billion or 46.69 percent was appropriated under the ASB of the implementing departments/agencies concerned and P54.31 billion or 53.31 percent was from the following SPF: Unprogrammed Appropriations (UA) - Support to Foreign-Assisted Projects (SFAPs) – P53.03 billion, BSGC – P1.05 billion and ALGU – P223.07 million.

As to the funding, P82.51 billion come from the loan proceeds and P19.36 billion as the government counterpart.

The DOTr got the highest amount with P44.78 billion, of which P19.58 billion was funded from the ASB while P25.20 billion was from UA-SFAPs. The DPWH and DA followed with P20.05 billion and P3.45 billion, respectively.

Table II-23 shows the appropriations for foreign-assisted projects, by department/office and by allotment class.

**Table II-23 Appropriations for Foreign-Assisted Projects,
by Department/Office, by Allotment Class
FY 2019
(in million pesos)**

Department/Office	Total	Personnel Services	Maintenance and Other Operating Expenses	Financial Expenses	Capital Outlay
Current Year Appropriations	<u>101,876.60</u>	<u>9.04</u>	<u>16,853.48</u>	<u>0.19</u>	<u>85,013.89</u>
Agency Specific Budget	<u>47,571.18</u>	<u>9.04</u>	<u>6,010.90</u>	<u>0.19</u>	<u>41,551.05</u>
Public Works and Highways	20,046.77	-	-	-	20,046.77
Transportation	19,581.35	-	1,000.00	-	18,581.35
Agriculture	3,451.35	-	1,284.90	0.19	2,166.26
Social Welfare and Development	2,770.27	-	2,770.27	-	-
Environment and Natural Resources	1,223.20	-	573.28	-	649.92
Agrarian Reform	423.19	9.04	307.39	-	106.76
Trade and Industry	58.25	-	58.25	-	-
Interior and Local Government	16.80	-	16.80	-	-
Special Purpose Funds	<u>54,305.41</u>	<u>:-</u>	<u>10,842.58</u>	<u>:-</u>	<u>43,462.84</u>
Unprogrammed Appropriations					
- SFAPs	<u>53,027.55</u>	<u>:-</u>	<u>9,787.78</u>	<u>:-</u>	<u>43,239.77</u>
Unallocated	27,398.04	-	826.90	-	26,571.15
Transportation	25,196.78	-	8,589.76	-	16,607.03
Trade and Industry	209.00	-	166.09	-	42.91
Finance	113.68	-	113.68	-	-
Agrarian Reform	102.04	-	91.35	-	10.69
Public Works and Highways	8.00	-	-	-	8.00
Budgetary Support to GOCCs	<u>1,054.80</u>	<u>:-</u>	<u>1,054.80</u>	<u>:-</u>	<u>:-</u>
Finance	<u>1,054.80</u>	<u>:-</u>	<u>1,054.80</u>	<u>:-</u>	<u>:-</u>
National Irrigation Administration	952.00	-	952.00	-	-
Philippine Rice Research Institute	102.80	-	102.80	-	-
Allocation to Local Government Units - MMDA	223.07	-	-	-	223.07
Total	<u>101,876.60</u>	<u>9.04</u>	<u>16,853.48</u>	<u>0.19</u>	<u>85,013.89</u>

Allotments – P73.02 billion

Of the amount appropriated, P73.02 billion or 71.67 percent was released to the implementing departments/agencies broken down by allotment class as follows: PS – P9.04 million, MOOE – P16.03 billion, FinEx – P0.19 million and CO – P56.98 billion.

Among the departments/offices, DOTr received the highest allotments in the amount of P44.36 billion, of which P19.16 billion was funded from the ASB while P25.20 billion was from UA-SFAPs. The DPWH and DA followed with P19.02 billion and P3.45 billion, respectively.

Table II-24 shows the allotments for foreign-assisted projects, by department/office and by allotment class.

**Table II-24 Allotments for Foreign-Assisted Projects,
by Department/Office, by Allotment Class
FY 2019
(in million pesos)**

Department/Office	Total	Personnel Services	Maintenance and Other Operating Expenses	Financial Expenses	Capital Outlay
Agency Specific Budget	<u>46,110.49</u>	<u>9.04</u>	<u>6,010.90</u>	<u>0.19</u>	<u>40,090.36</u>
Transportation	19,159.35	-	1,000.00	-	18,159.35
Public Works and Highways	19,008.08	-	-	-	19,008.08
Agriculture	3,451.35	-	1,284.90	0.19	2,166.26
Social Welfare and Development	2,770.27	-	2,770.27	-	-
Environment and Natural Resources	1,223.20	-	573.28	-	649.92
Agrarian Reform	423.19	9.04	307.39	-	106.76
Trade and Industry	58.25	-	58.25	-	-
Interior and Local Government	16.80	-	16.80	-	-
Special Purpose Funds	<u>26,907.37</u>	<u>:-</u>	<u>10,015.68</u>	<u>:-</u>	<u>16,891.69</u>
Unprogrammed Appropriations - SFAPs	<u>25,629.50</u>	<u>:-</u>	<u>8,960.88</u>	<u>:-</u>	<u>16,668.62</u>
Transportation	25,196.78	-	8,589.76	-	16,607.03
Trade and Industry	209.00	-	166.09	-	42.91
Finance	113.68	-	113.68	-	-
Agrarian Reform	102.04	-	91.35	-	10.69
Public Works and Highways	8.00	-	-	-	8.00
Budgetary Support to GOCCs	<u>1,054.80</u>	<u>:-</u>	<u>1,054.80</u>	<u>:-</u>	<u>:-</u>
Finance	<u>1,054.80</u>	<u>:-</u>	<u>1,054.80</u>	<u>:-</u>	<u>:-</u>
National Irrigation Administration	952.00	-	952.00	-	-
Philippine Rice Research Institute	102.80	-	102.80	-	-
Allocation to Local Government Units - MMDA	223.07	-	-	-	223.07
Total	<u>73,017.86</u>	<u>9.04</u>	<u>16,026.58</u>	<u>0.19</u>	<u>56,982.05</u>

Unreleased Appropriations – P28.86 billion

The unreleased balance of appropriations for foreign-assisted projects of P28.86 billion represents the difference between the total appropriations of P101.88 billion and the total allotments of P73.02 billion. Table II-25 presents the detailed unreleased appropriations by source and by allotment class.

**Table II-25 Unreleased Appropriations for Foreign-Assisted Projects,
by Department/Office, by Allotment Class
FY 2019
(in million pesos)**

Department/Office	Total	Personnel Services	Maintenance and Other Operating Expenses	Financial Expenses	Capital Outlay
Current Year Appropriations	<u>28,858.73</u>	=	<u>826.90</u>	=	<u>28,031.83</u>
Agency Specific Budget	<u>1,460.69</u>	=	=	=	<u>1,460.69</u>
Public Works and Highways	1,038.69	-	-	-	1,038.69
Transportation	422.00	-	-	-	422.00
Special Purpose Funds	<u>27,398.04</u>	=	<u>826.90</u>	=	<u>26,571.15</u>
Unprogrammed Appropriations					
- SFAPs	<u>27,398.04</u>	=	<u>826.90</u>	=	<u>26,571.15</u>
Unallocated	27,398.04	-	826.90	-	26,571.15
Total	<u>28,858.73</u>	=	<u>826.90</u>	=	<u>28,031.83</u>

The Statements of Appropriations, Allotments and Balances (SAAB) for FAPs are presented in Part 6, Volume II of this Report.

PART III

**CURRENT SURPLUS
OF THE NATIONAL
GOVERNMENT**

PART III – CURRENT SURPLUS OF THE NATIONAL GOVERNMENT

Introduction

The Commission on Audit keeps the general accounts of the National Government (NG). The general accounts refer to the books of accounts of the Unappropriated Surplus of the General Fund (GF) of the NG. The COA, thru the Government Accountancy Sector (GAS), performs this function thru the maintenance of the following registries prescribed under COA Resolution No. 2014-022 dated September 12, 2014:

Registry	Purpose
Registry of Revenue (RR)	records revenue generated by the NGAs that accrue to the GF, including grants based on the verified Quarterly Report on Revenue and Other Receipts
Registry of Domestic and Foreign Borrowings (RDFB)	records domestic and foreign loans of the NG based on the verified Quarterly Report of Domestic and Foreign Borrowings from the NGAs and the BTr
Registry of Appropriations and Allotments (RAPAL)	records the following: <ul style="list-style-type: none"> • appropriations of the agency based on the GAA and other appropriations laws • allotment releases by the DBM to the various agencies of the government out of the authorized appropriations • appropriations and releases of allotments pertaining to SPF • transfer from one agency to another, realignment/augmentation, and withdrawal of appropriations and allotments based on the SAROs, and budget documents/letters of authority received from the DBM • unreleased appropriations
Registry of Appropriations and Transfers for Special Purpose Funds (RATSPF)	records the following: <ul style="list-style-type: none"> • appropriations for the SPF based on the GAA • transfer of appropriations for SPF to the departments/agencies concerned based on the SAROs/budget documents issued by the DBM
Registry of Allotments, Obligations and Disbursements (RAOD)	records the following: <ul style="list-style-type: none"> • obligations incurred and paid by the agencies out of the released allotments based on the verified Financial Accountability Reports (FARs) • unobligated balances of allotments

Registry	Purpose
	<ul style="list-style-type: none"> unpaid obligations (due and demandable and not yet due and demandable)
Registry of Overdraft in Allotments (ROA)	records obligations incurred by the agencies but not covered by allotments based on verified FARs

The amounts of appropriations and allotments in the RAPAL and RATSPF are reconciled periodically with the data of the DBM and with the quarterly FARs submitted by NGAs and government corporations with special account in the general fund as prescribed by COA-DBM Joint Circular No. 2013-1 dated March 13, 2013, as amended by COA-DBM Joint Circular Nos. 2014-1 and 2019-1 dated July 2, 2014 and January 1, 2019, respectively.

At the end of the year, based on the Registries, the GAS prepares the overall SAAODB and the Statement of Current Surplus (SCS).

Current Surplus of the National Government

The Current Surplus of the NG for FY 2019 of P1.381 trillion is the net balance of the combined figures of the following components: Unappropriated Surplus, Unreleased Continuing Appropriations, Unobligated Continuing Appropriations, and Overdraft in Allotments, as shown in Table III.1.

**Table III.1 Current Surplus of the National Government
FY 2019
(in million pesos)**

Description	Total Current Surplus	Unappropriated Surplus	Unreleased Continuing Appropriations	Unobligated Continuing Appropriations	Overdraft in Allotments
Beginning Balances	1,431,478.61	1,148,070.92	90,388.74	193,743.63	(724.68)
Adjustments	-	<u>19,334.58</u>	<u>8,293.01</u>	<u>(27,627.92)</u>	<u>0.33</u>
Adjusted Beginning Balances	1,431,478.61	1,167,405.50	98,681.75	166,115.71	(724.35)
Add:					
Revenue	2,997,505.43	2,997,505.43	-	-	-
Borrowings	<u>1,056,890.68</u>	<u>1,056,890.68</u>	-	-	-
Issuance of Bills	4,436.38	4,436.38	-	-	-
Issuance of Bonds	915,895.95	915,895.95	-	-	-
Loan Proceeds	<u>136,558.35</u>	<u>136,558.35</u>	-	-	-
Sub-totals	5,485,874.72	5,221,801.61	98,681.75	166,115.71	(724.35)
Obligations	<u>(4,104,756.74)</u>	<u>(3,925,933.12)</u>	<u>(34,359.26)</u>	<u>(117,392.72)</u>	<u>(27,071.64)</u>
Sub-totals	1,381,117.98	1,295,868.49	64,322.48	48,722.99	(27,795.99)
Reversion of Continuing Appropriations	-	<u>110,722.23</u>	<u>(64,322.48)</u>	<u>(46,399.75)</u>	-
Sub-totals	1,381,117.98	1,406,590.72	-	2,323.24	(27,795.99)
Retention of Continuing Appropriations	-	<u>(374,206.76)</u>	<u>193,463.49</u>	<u>180,743.27</u>	-
Ending Balances	<u>1,381,117.98</u>	<u>1,032,383.96</u>	<u>193,463.49</u>	<u>183,066.51</u>	<u>(27,795.99)</u>

The Unappropriated Surplus of P1.032 trillion is composed of various transactions that transpired during the year, such as: revenue, borrowings, obligations, adjustments, and reversions and retentions of unreleased and unobligated continuing appropriations.

The unreleased continuing appropriations of P193.46 billion refers to the unreleased balance of the total appropriations for which no comprehensive release and allotment release orders were issued by the DBM.

The unobligated continuing appropriations of P183.07 billion pertains to the released portion of appropriations which remained unexpended or unobligated at the end of the year.

The overdraft in allotments of P27.80 billion represents the obligations incurred in excess of allotments. It consists of the obligations not covered by allotments incurred by NGAs in FY 2012 – P81.59 million, FY 2013 – P3.26 million, FY 2014 – P148.53 million, FY 2015 – P8.71 million, FY 2016 – P217.11 million, FY 2017 – P177.23 million, FY 2018 – P87.92 million and FY 2019 – P27.07 billion.

The breakdowns of retained unreleased continuing appropriations, unobligated continuing appropriations, and overdraft in allotments by department/office and by agency are shown in Part IX, Volume II of this Report.

PART IV

FINANCIAL

STATEMENTS

Republic of the Philippines
National Government
Statement of Financial Position
As at December 31, 2019
(in thousand pesos)

	<u>Note</u>	<u>2019</u>	<u>2018</u> <u>(Restated)</u>
ASSETS			
Current Assets			
Cash and Cash Equivalents	4	516,952,854.05	626,125,062.45
Investments	5	84,936,122.85	163,970,800.79
Receivables	6	957,196,623.61	909,584,493.61
Inventories	7	126,579,748.27	106,703,660.09
Other Current Assets	8	178,372,652.59	160,002,368.73
Total Current Assets		1,864,038,001.36	1,966,386,385.66
Non-Current Assets			
Investments	9	1,050,886,944.12	943,821,726.94
Receivables	10	200,367,452.59	205,201,026.26
Investment Property	11	2,349,895.99	2,307,092.46
Property, Plant and Equipment	12	3,450,317,359.23	3,062,999,964.03
Biological Assets	13	1,865,140.83	1,685,049.81
Intangible Assets	14	10,177,290.51	6,596,361.38
Other Non-Current Assets	15	135,519,026.55	126,358,735.74
Total Non-Current Assets		4,851,483,109.82	4,348,969,956.63
TOTAL ASSETS		6,715,521,111.18	6,315,356,342.28
LIABILITIES			
Current Liabilities			
Financial Liabilities	17	1,300,581,818.33	1,491,630,341.92
Inter-Agency Payables	18	59,512,732.02	65,354,215.79
Intra-Agency Payables	19	966,331.97	4,827,806.40
Trust Liabilities	20	99,400,036.59	93,992,663.26
Other Payables	21	52,964,198.53	53,044,653.29
Deferred Credits/Unearned Income	22	4,230,444.57	5,285,655.06
Provisions	23	55,174.68	56,122.74
Total Current Liabilities		1,517,710,736.69	1,714,191,458.47
Non-Current Liabilities			
Financial Liabilities	24	6,837,179,593.96	6,220,839,417.60
Trust Liabilities	25	20,456,571.05	19,882,709.58
Deferred Credits/Unearned Income	26	25,297,632.37	25,941,181.95
Other Payables	27	22,044,351.29	44,719,427.10
Provisions	28	1,224,845.55	2,334,882.31
Total Non-Current Liabilities		6,906,202,994.22	6,313,717,618.54
TOTAL LIABILITIES		8,423,913,730.91	8,027,909,077.01
NET ASSETS		(1,708,392,619.72)	(1,712,552,734.73)
NET ASSETS/EQUITY			
Government Equity		(1,731,468,140.41)	(1,677,616,356.87)
Accumulated Surplus/(Deficit)		(1,731,468,140.41)	(1,677,616,356.87)
Revaluation Surplus			
Unrealized Gain/(Loss)		23,075,520.68	(34,936,377.86)
NET ASSETS/EQUITY	30	(1,708,392,619.72)	(1,712,552,734.73)

Difference between the totals and sum of components is due to rounding off

The above statement should be read in conjunction with the accompanying notes.

Republic of the Philippines
National Government
Detailed Statement of Financial Performance
For the Year Ended December 31, 2019
(in thousand pesos)

	Note	2019	2018 (Restated)
Revenue			
Tax Revenue	31	2,841,969,672.01	2,579,918,161.91
Service and Business Income	32	264,659,062.74	227,394,179.11
Shares, Grants and Donations	33	90,258,809.98	88,748,137.68
Miscellaneous Income	34	2,570,429.19	2,148,691.97
Gains	35	114,502.00	79,476.17
Total Revenue		<u>3,199,572,475.92</u>	<u>2,898,288,646.84</u>
Less: Current Operating Expenses			
Personnel Services	36	1,144,817,864.57	1,013,495,695.07
Maintenance and Other Operating Expenses	37	477,221,190.55	472,814,232.70
Financial Expenses	38	395,415,606.16	351,035,608.55
Financial Assistance/Subsidy to LGUs, GOCCs, NGOs/POs	39	847,607,573.87	735,124,782.61
Non-Cash Expenses	40	104,703,214.49	86,800,892.65
Total Current Operating Expenses		<u>2,969,765,449.65</u>	<u>2,659,271,211.58</u>
Surplus/(Deficit) from Current Operations		<u>229,807,026.28</u>	<u>239,017,435.26</u>
Net Financial Assistance/Subsidy From/(To) NGAs, and Financial Assistance from LGUs and GOCCs	41	(83,445,480.55)	(92,256,830.22)
Other Non-Operating Income	42	98,867,053.77	23,981,545.87
Losses	43	(20,910,055.28)	(139,368,727.35)
Surplus/(Deficit) for the period		<u>224,318,544.21</u>	<u>31,373,423.56</u>

Difference between the totals and sum of components is due to rounding off

The above statement should be read in conjunction with the accompanying notes.

Republic of the Philippines
National Government
Statement of Cash Flows
For the Year Ended December 31, 2019
(in thousand pesos)

	Notes	2019	2018 (Restated)
Cash Flows From Operating Activities			
Cash Inflows	44		
Collection of Income/Revenues		3,094,718,947.68	2,820,553,233.61
Receipt of Assistance and Subsidy and from Other NGAs, LGUs and GOCCs		7,312,293.94	5,142,648.38
Collection of Receivables		54,546,911.82	41,978,160.23
Receipt of Inter-Agency Fund Transfers		54,275,940.71	39,020,459.94
Trust Receipts		68,137,182.19	73,124,476.40
Other Receipts		54,308,814.41	57,969,516.53
Adjustments		201,995,039.26	-
Total Cash Inflows		3,535,295,130.02	3,037,788,495.09
Cash Outflows	45		
Payment of Expenses		1,056,842,018.98	952,835,897.96
Purchase of Inventories		55,892,280.85	46,989,755.28
Purchase of Consumable Biological Assets		144,864.64	185,600.98
Grant of Cash Advances		95,035,019.78	72,929,312.93
Prepayments		14,835,635.42	18,570,433.59
Refund of Deposits		34,334,866.02	18,997,958.01
Payment of Accounts Payable		86,805,970.34	73,561,766.94
Remittance of Personnel Benefit Contributions and Mandatory Deductions		336,749,262.86	288,082,430.42
Grant of Financial Assistance/Subsidy		924,417,492.06	791,434,539.43
Release of Inter-Agency Fund Transfers		113,575,693.07	170,291,786.48
Release of intra-agency fund transfers		298,459,583.49	-
Other Disbursements		151,177,859.17	140,659,780.26
Adjustments		-	72,769,557.04
Total Cash Outflows		3,168,270,546.68	2,647,308,819.32
Net Cash Provided by (Used in) Operating Activities		367,024,583.34	390,479,675.77
Cash Flows from Investing Activities			
Cash Inflows	46		
Proceeds from Sale of Investment Property		863.46	-
Proceeds from Sale/Disposal of Property, Plant and Equipment		36,888.56	31,534.86
Sale of Investments		95,259,379.81	13,700,994.84
Receipt of Cash Dividends		52,687,180.28	40,398,548.19
Proceeds from Matured/Return of Investments		60,850,164.41	57,852,636.00
Collection of Long-Term Loans		3,116,180.38	12,307,682.08
Proceeds from Sale of Other Assets		5,467.38	4,775.55
Total Cash Inflows		211,956,124.29	124,296,171.52
Cash Outflows	47		
Purchase/Construction of Investment Property		5,960.58	5,725.05
Purchase/Construction of Property, Plant and Equipment		680,906,045.98	625,751,174.03
Investments		309,655,278.40	84,075,040.18
Purchase of Bearer Biological Assets		37,600.79	28,220.27
Purchase of Intangible Assets		467,614.96	401,789.82
Grant of loans		4,457,537.16	4,994,611.90
Total Cash Outflows		995,530,037.86	715,256,561.26
Net Cash Provided by (Used in) Investing Activities		(783,573,913.57)	(590,960,389.74)
Cash Flows from Financing Activities			
Cash Inflows	48		
Proceeds from issuance of bills and bonds		1,936,215,659.58	1,533,713,672.71
Proceeds from Domestic and Foreign Loans		111,905,952.31	100,017,259.92
Total Cash Inflows		2,048,121,611.89	1,633,730,932.64
Cash Outflows	49		
Payment of Long-Term Liabilities		90,571,733.53	73,575,423.61
Redemption of Bills/Bonds Issued		1,402,154,142.38	1,061,102,460.75
Payment of Interest Expense		321,866,402.33	283,712,473.02
Total Cash Outflows		1,814,592,278.24	1,418,390,357.38
Net Cash Provided by (Used in) Financing Activities		233,529,333.64	215,340,575.26
Increase(Decrease) in Cash and Cash Equivalents		(183,019,996.58)	14,859,861.29
Effects of Exchange Rate Changes on Cash and Cash Equivalents	50	(6,403,826.54)	(3,849,231.83)
Cash and Cash Equivalents, January 1,	51.1	879,149,396.76	868,138,767.30
Cash and Cash Equivalents, December 31	51.2	689,725,573.63	879,149,396.76

Difference between the totals and sum of components is due to rounding off
The above statement should be read in conjunction with the accompanying notes.

Republic of the Philippines
National Government
Statement of Changes in Net Assets/Equity
For the Year Ended December 31, 2019
(in thousand pesos)

	Notes	2019	2018 (Restated)
Balance at January 1		(1,712,552,734.73)	(1,578,187,064.58)
Add/(Deduct):			
Changes in accounting policy		-	(184,537.03)
Prior period errors		-	(230,478,209.37)
Other Adjustments		-	(320,980,845.73)
Restated Balance		<u>(1,712,552,734.73)</u>	<u>(2,129,830,656.72)</u>
Add/(Deduct):			
Changes in Net Assets/Equity for the Fiscal Year			
Surplus/(Deficit) for the Period		224,318,544.21	31,373,423.56
Adjustment of net revenue recognized directly in net assets/equity		508,234,870.65	(74,153,314.01)
Others		<u>(728,393,299.85)</u>	<u>460,057,812.44</u>
Balance at December 31	30	<u><u>(1,708,392,619.72)</u></u>	<u><u>(1,712,552,734.73)</u></u>

Difference between the totals and sum of components is due to rounding off
 The above statement should be read in conjunction with the accompanying notes.

Republic of the Philippines
National Government
Statement of Comparison of Budget and Actual Amounts
For the Year Ended December 31, 2019
(in thousand pesos)

	Notes	Budgeted Amount	Actual Amounts on	Difference Final
		Original	Final	Budget and Actual
RECEIPTS	52			
Tax Revenue		3,017,927,000.00	2,952,573,731.77	2,740,840,583.92
Service and Business Income		95,879,389.00	102,915,367.09	183,953,853.38
Assistance and Subsidy		30,250.00	-	-
Shares, Grants and Donations		55,181,703.00	63,057,295.35	70,762,000.51
Gains		14,479.00	14,345.41	22,877.98
Others		1,876,066,178.00	1,058,203,581.77	1,058,816,796.58
<i>Non-Operating Income/Revenues</i>		37,178,178.00	1,312,902.77	1,926,117.58
<i>Loan Proceeds (Foreign Loans)</i>		120,734,000.00	136,558,348.05	136,558,348.05
<i>Issuance of Bills (Domestic)</i>		704,482,000.00	4,436,379.32	4,436,379.32
<i>Issuance of Bonds</i>		1,013,672,000.00	915,895,951.63	915,895,951.63
<i>Domestic</i>		851,672,000.00	730,244,045.89	730,244,045.89
<i>Foreign</i>		162,000,000.00	185,651,905.74	185,651,905.74
Total Receipts		5,045,098,999.00	4,176,764,321.39	4,054,396,112.38
PAYMENTS	53			
Personnel Services		988,962,007.69	1,167,307,135.78	1,123,892,751.61
Maintenance and Other Operating Expenses		1,281,832,504.82	1,543,914,518.94	1,248,253,990.99
Capital Outlays		1,215,158,419.38	839,434,584.91	338,669,525.67
Financial Expenses		362,742,894.03	362,428,788.87	388,412,165.94
Debt Service (Principal Amortization)		-	488,336,000.00	481,451,287.47
Total Payments		3,848,695,825.91	4,401,421,028.49	3,580,679,721.68
NET RECEIPTS/PAYMENTS	54	1,196,403,173.09	(224,656,707.10)	473,716,390.70

Difference between the totals and sum of components is due to rounding off

Republic of the Philippines
National Government
Notes to Combined Financial Statements
For the Year Ended December 31, 2019

1. GENERAL INFORMATION

The 2019 Annual Financial Report for the National Government (NG) presents the combined financial statements (FSs) submitted by 320 entities, including the State Universities and Colleges (SUCs), Bangsamoro Autonomous Region in Muslim Mindanao (BARMM) and government corporations (GCs) maintaining Special Account in the General Fund (SAGF). Of these entities, 248 operate as stand-alone, while 72 have staff bureaus, regional offices (ROs), and operating units (OUs)/field offices (FOs), of which 24 adopt a centralized accounting system and 48 a decentralized accounting system. The list of these entities and their registered office addresses is shown in Annex A.

Detailed disclosures on FSs presentation of National Government Agencies (NGAs) are not presented in this Report. Readers interested in the detailed disclosures may refer to the audited FSs contained in the Annual Audit Reports on individual NGAs that are posted in the Commission on Audit (COA) website (<http://coa.gov.ph>).

2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION OF FINANCIAL STATEMENTS

As stated in the Statement of Management Responsibilities for FSs signed by the heads of entities, the FSs were prepared in conformity with the Philippine Public Sector Accounting Standards (PPSAS) prescribed under COA Resolution No. 2014-003 dated January 24, 2014, COA Resolution No. 2017-006 dated April 26, 2017, and with generally accepted state accounting principles. To a great extent, the entities complied with the provisions of the Government Accounting Manual prescribed under COA Circular No. 2015-007 dated October 22, 2015.

The FSs comprise the Statement of Financial Position (SFPos), Statement of Financial Performance (SFPer), Statement of Changes in Net Asset/Equity (SCNA/E), Statement of Current Surplus (SCF), Statement of Comparison of Budget and Actual Amounts (SCBAA), and the Notes to FSs. These statements were prepared on the basis of historical cost, unless stated otherwise.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1. *Basis of accounting*

The combined FSs were prepared on an accrual basis in accordance with applicable PPSAS except in the case of taxes and related fines and penalties which are recognized when collected or when these are measurable and legally collectible.

3.2. *Combination/Consolidation*

The combined FSs cover the FSs submitted by fund cluster, as follows:

- a. Regular Agency Fund;
- b. Foreign Assisted Projects Fund;
- c. Special Account-Locally Funded/Domestic Grants Fund;
- d. Special Account-Foreign Assisted/Foreign Grants Fund;
- e. Internally Generated Funds;
- f. Business Related Funds; and
- g. Trust Funds.

Intra-national government account balances of due from and due to NGAs, subsidy from and subsidy to NGAs, and cash inflows and cash outflows were eliminated in the overall consolidation except for unmatched balances which were discussed in the succeeding pages of this Report.

Unmatched balances of accounts Cash-Treasury/Agency Deposit, Special Account and Cash-Treasury/Agency Deposit, Trust between the agencies concerned and the Bureau of Treasury (BTr) were closed temporarily to Accumulated Surplus/(Deficit) in the NG Books maintained by the BTr.

3.3. *Presentation of financial statements*

This Report presents on a comparative basis the FSs for FY 2019 and Restated FSs for FY 2018 to enable stakeholders to easily identify material changes/variances between reporting periods.

3.4. *Correction of prior years' errors*

Except when the specific or cumulative effect of the misstatements are impracticable to determine, material misstatements committed prior to FY 2019 were recognized in the FY 2018 FSs.

Prior years' errors affecting the assets and liabilities were corrected using the related accounts, while those affecting the income and expense accounts were adjusted directly to the Accumulated Surplus/(Deficit) account. The corrections/adjustments resulted in the restatement of certain prior year amounts reported on the SFPos, SFPer, SCNA/E and SCF.

3.5. *Changes in accounting estimates and policies*

The entities apply the prospective application in recognizing the effects of changes in accounting estimates; as such, the changes are included in the surplus or deficit. On the other hand, the retrospective application is used to effect changes in accounting policy, except when application is impractical, wherein the prospective application is used.

3.6. *Cash and cash equivalents*

Cash comprises cash on hand and cash in bank. Cash in bank is composed of current and savings accounts, and time deposits, in Philippine peso and foreign currencies. Cash equivalents are short-term and highly liquid investments with original maturity of three months or less from date of acquisition, which are readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

Petty Cash Fund (PCF) is set up for the recurring petty expenses of an entity for one month. It is maintained on an imprest system wherein replenishment is charged to the appropriate expense accounts. The PCF is kept separately from the other cash advances, and is not used for payment of regular expenses such as rentals, inventory items for stock and other disbursements which should be paid through checks and/or Advice to Debit Account (ADA).

3.7. *Financial assets*

a. Initial recognition

Financial assets are recognized by an entity when it becomes a party to the contractual provisions of the instrument. A financial asset is measured initially at its fair value plus, in the case of financial asset not measured at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset.

Financial assets within the scope of PPSAS 29-*Financial Instruments: Recognition and Measurement*, are classified as: (1) financial assets at fair value through surplus or deficit; (2) held-to-maturity investments; (3) loans and receivables; or (4) available-for-sale financial assets, as appropriate. The classification of financial assets at initial recognition depends on the purpose for which the financial assets are bought and held. Management decides on their initial classification at the time of initial recognition.

b. Subsequent measurement

The subsequent measurement of financial assets depends on their classification. After initial recognition, entities measure financial assets, including derivatives that are assets, at their fair values, without any deduction for transaction costs it may incur on sale or other disposal, except for the following financial assets:

- i.** Loans and receivables and held-to-maturity investments measured at amortized cost using the effective interest method; and
- ii.** Investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, and derivatives that are linked to and must be settled by delivery of such unquoted equity instruments, which are measured at cost.

c. Impairment

An entity assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed impaired if there is objective evidence of impairment as a result of one or more events that has/have occurred after the initial recognition of the asset and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include the following:

- i. The debtor or a group of debtors is experiencing significant financial difficulty;
- ii. Default or delinquency in interest or principal payments;
- iii. The probability that debtors will enter bankruptcy or other financial reorganization; and
- iv. Observable data indicates a measurable decrease in estimated future cash flows (e.g., changes in arrears or economic conditions that correlate with defaults).

d. Derecognition

An entity derecognizes a financial asset or, where applicable, a part of a financial asset or part of a group of similar financial assets when:

- i. the contractual rights to the cash flows from the financial asset have expired or are waived; and
- ii. an entity has transferred its contractual rights to receive the cash flows of the financial assets, or retains the contractual rights to receive the cash flows of the financial assets but assumes a contractual obligation to pay the cash flows to one or more recipients in an arrangement that meets the conditions set forth in PPSAS 29-*Financial Instruments: Recognition and Measurement*; and either an entity has:
 - 1) transferred substantially all the risks and rewards of ownership of the financial asset; or
 - 2) neither transferred nor retained substantially all the risks and rewards of ownership of the financial asset, but has transferred the control of the asset.

e. Financial assets at fair value through surplus or deficit

Financial assets at fair value through surplus or deficit include financial assets held for trading and financial assets designated upon initial recognition at fair value through surplus or deficit. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

Changes in fair value of non-derivative financial assets designated as available-for-sale are reported in the SCNA/E.

Investments in government securities of Bond Sinking Fund (BSF) for NG-issued bonds are financial assets classified as available-for-sale.

f. Financial assets held to maturity

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held-to-maturity when the entity has the positive intention and ability to hold it to maturity.

After initial measurement, held-to-maturity investments are measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are integral part of the effective interest rate. The losses arising from impairment are recognized in surplus or deficit.

Bond premiums or discounts on bond investments are added or deducted from the Investments in Bonds account and are being amortized over the life of the securities as adjustment to the payable account.

3.8. *Inventories*

Inventories are initially recognized and measured at cost which include purchase price, import duties and taxes, freight, handling and other costs directly attributable to the acquisition of the finished goods, materials and services as well as other costs incurred in bringing the inventories to their present location and condition. Inventories acquired through non-exchange transactions (for no cost or for a nominal cost) are measured at fair value at the date of acquisition.

Inventories are recognized as expense when issued for utilization or consumption in the ordinary course of operation using the weighted average method.

Inventories are also tested for impairment. Inventories are said to be impaired if the cost of inventories held for sale is higher than the net realizable value or the cost of inventories held for distribution or consumption is higher than the current replacement cost. The difference between the cost and net realizable value/current replacement cost shall be recognized as an expense in the financial statement.

3.9. *Semi-expendable Property*

Semi-expendable property are tangible items costing below the capitalization threshold of P15,000.00, to be used in the operations of the agency and not intended for resale in the ordinary course of business. Its expected life is more than one period, and are recognized as expense upon issuance to end-users. Repairs and maintenance are recognized as expense in the period they are incurred.

3.10. *Investment Property*

Investment property is either land or building or part of a building or both, held by the owner or a lessee under a finance lease to earn rentals or for capital appreciation, or both.

a. Initial recognition

Investment property is measured initially at cost, including transaction costs. Such costs do not include start-up costs, abnormal waste, or initial operating losses incurred before the investment property achieves the planned level of occupancy. The carrying amount includes the replacement cost of components of an existing investment property at the time that cost is incurred if the recognition criteria are met.

Investment property acquired through non-exchange transaction is measured at fair value at the date of acquisition.

b. Subsequent measurement

Subsequent to initial recognition, investment property is measured using the cost model and is depreciated over its estimated useful life using the straight-line method. Useful life of investment property is consistent with the useful life of similar PPE. Investment property is also tested for impairment and impairment losses are also recognized when appropriate. In the case of Investment Property, Building, impairment is a loss in the future economic benefit over and above the systematic recognition of loss of the asset's future economic benefit through depreciation. After recognition of an impairment loss, the depreciation charge of the investment property is adjusted in future periods to allocate the asset's revised carrying amount over its remaining useful life.

c. Derecognition

Investment property is derecognized upon disposal or when it is permanently withdrawn from use or no future economic benefits are expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in surplus or deficit in the period of derecognition. Transfer to and from investment property is made only when there is a change in use of the asset.

3.11. *Property, Plant and Equipment*

PPE are tangible items costing P15,000.00 and above that 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 period and not intended for resale in the ordinary course of business. PPE include land, land improvements, buildings and other structures, machinery and equipment, transportation equipment, furniture, fixtures and books, leasehold improvements and other PPE including specialized military equipment,

infrastructure assets, and heritage assets.

a. Initial recognition

PPE are initially recognized at cost. Cost includes the purchase price, including import duties and non-refundable taxes, after deducting trade discounts and rebates, and expenditures directly attributable to the acquisition of the asset. When PPE is acquired through a non-exchange transaction or for no or nominal consideration, it is initially measured at its fair value.

b. Subsequent measurement

After initial recognition, PPE, except land, are stated at cost less accumulated depreciation and impairment losses. Land is measured at cost less accumulated impairment losses. Significant parts of the PPE purchased at required intervals are recognized as individual assets with specific useful lives. Likewise, when a major repair/replacement is done, its cost is recognized in the carrying amount of the PPE as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized as expense in the surplus or deficit in the period in which they are incurred.

c. Depreciation

PPE are depreciated over their useful lives using the straight-line method after assigning a residual value of at least five percent. The specific useful life of a PPE is determined by an entity based on the ranges prescribed by the COA. Significant parts of the PPE purchased at required intervals are depreciated over their specific useful lives. 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 starts in the succeeding month.

d. Impairment

PPE are assessed at each reporting date to determine the existence of impairment. Impairment loss on a PPE is recognized if the carrying amount is greater than its estimated recoverable amount or recoverable service amount. After recognition of an impairment loss, the depreciation charge of the PPE is adjusted in future periods to allocate the asset's revised carrying amount over its remaining useful life.

e. Derecognition

PPE and/or any significant part of a PPE is derecognized upon disposal or when no future economic benefits or service potential is expected from its continued use. Any gain or loss arising from derecognition of the asset is included in surplus or deficit.

3.12. *Construction in progress*

Construction in Progress (CIP) is stated at cost. While the construction is in progress, the project costs are accrued based on the contractor's accomplishment reports and billings. These represent costs incurred for technical services and capital works program contracted by the entities to facilitate the implementation of projects. While the construction of the project is in progress, no provision for depreciation is recognized.

CIP is transferred to the appropriate asset account when the construction or installation and related activities necessary to prepare the asset for its intended use have been completed, and the asset is ready for service.

3.13. *Leases*

a. Operating lease – lessee's books

Lease payments under operating lease are recognized as expense on a straight-line basis over the lease term unless another systematic basis is representative of the time pattern of the lessee's benefit.

b. Operating lease – lessor's books

Lease revenue from operating lease is recognized on a straight-line basis over the lease term unless another systematic basis is representative of the time pattern in which benefits derived from the lease assets are diminished. Initial direct costs, such as finder's fees and legal expenses, incurred in negotiating and arranging the operating lease agreement are added to the carrying amount of the leased asset and recognized as expense over the lease term on the same basis as the lease revenue. Contingent rents are recognized as revenue in the period in which they are earned.

Leased assets are depreciated consistent with the lessor's normal depreciation policy for similar assets.

c. Finance lease – lessee's books

Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payment. The associated liability is recognized at the inception of the lease which is measured at the present value of the future minimum lease payments at initial recognition.

Lease payments are apportioned between reduction of the lease liability and finance charges. A constant rate of interest on the remaining balance of the liability shall be applied. Finance charges are recognized as finance costs in surplus or deficit.

Assets under a finance lease are depreciated over their useful lives, however, if there is no reasonable certainty that the lessee obtains ownership of the

asset at the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

d. Finance lease – lessor's books

The lessor recognizes Finance Lease Receivable at an amount equal to the net investment in the lease and finance revenue based on a pattern reflecting a constant periodic rate of return on the net investment in the lease. Initial direct costs such as commissions, legal fees, and internal costs are included in the initial measurement of the Finance Lease Receivable, and reduce the amount of revenue recognized over the lease term.

3.14. *Intangible assets*

An intangible asset is an identifiable non-monetary asset without physical substance.

a. Initial recognition

Intangible asset is recognized when it is identifiable, when it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the entity, and when the cost or fair value of the asset can be measured reliably.

Intangible asset acquired through purchase or by separate acquisition is initially recognized at cost which includes non-refundable taxes and other directly attributable costs. The cost of intangible asset acquired in a non-exchange transaction is its fair value at the time of acquisition. The cost of internally generated intangible asset, excluding capitalized development costs, is recognized in surplus or deficit. No intangible asset arising from research (or from the research phase of an internal project) is recognized. Expenses on research (or on the research phase of an internal project) is recognized as expense when incurred. Expenditure on intangible asset is recognized as expense when it is incurred unless it forms part of the cost that meets the recognition criteria of an intangible asset.

b. Subsequent measurement

After initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment loss. The useful life of the intangible asset is assessed as either finite or indefinite. Those with finite lives are amortized over their useful lives using the straight-line method. The amortization expense is recognized in surplus or deficit.

Intangible assets with indefinite useful lives are not amortized but are required to be tested for impairment at least annually or whenever there is an indication of impairment. An intangible asset is impaired when its carrying amount is greater than the estimated recoverable amount or recoverable service amount. Amortization begins when the intangible asset is available for use and ceases at the earlier of the date that the asset is

classified as held for sale and the date that the asset is derecognized.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in surplus or deficit.

3.15. *Financial liabilities*

a. Initial recognition

Entities recognize financial liabilities in their respective books of accounts when they become party to the contractual provisions of the instrument. A financial liability is measured initially at its fair value plus, in the case of financial liability not measured at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial liability.

Financial liabilities within the scope of PPSAS 29 are classified as: (1) financial liabilities at fair value through surplus or deficit; and (2) loans and borrowings, as appropriate. Entities' financial liabilities include trade and other payables, loans and borrowings.

b. Subsequent measurement

After initial recognition, entities measure financial liabilities at amortized cost using the effective interest method except for:

- i.** financial liabilities at fair value through surplus or deficit. Such liabilities, including derivatives that are liabilities, are measured at fair value except for a derivative liability that is linked to and must be settled by delivery of an unquoted equity instrument whose fair value cannot be reliably measured, which shall be measured at cost;
- ii.** financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies; and
- iii.** financial guarantee contracts which are measured at the higher of the amount determined as provision, and the amount initially recognized net of cumulative amortization recognized.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are integral part of the effective interest rate.

c. Financial liabilities at fair value through surplus or deficit

Financial liabilities at fair value through surplus or deficit include financial liabilities held for trading and financial liabilities designated upon initial recognition at fair value through surplus or deficit. Financial liabilities are classified as held for trading if these are acquired for the purpose of selling or repurchasing in the near term.

d. Loans and borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Gains or losses arising from the derecognition of the liabilities as well as through the effective interest method amortization process are recognized in surplus or deficit. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are integral part of the effective interest rate. Bond discounts and premiums on the issuance of foreign and domestic treasury bonds and bond exchanges are amortized over the remaining life of the bonds.

e. Derecognition

A financial liability is derecognized when the obligation specified in the contract expires or is discharged, cancelled or waived.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and recognition of a new liability. The difference between the carrying amount of a financial liability (or a part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liability assumed, is recognized in surplus or deficit.

3.16. Provisions

Provisions are liabilities of uncertain timing and amount. Provisions are recognized when entities have present obligations (legal or constructive) at the reporting date as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation, and a reliable estimate can be made of the amount of obligation. Provision is recognized at the best estimate of the expenditure to settle the obligation. Best estimate is an amount that an entity would rationally pay to settle the obligation at the reporting date or to transfer it to a third party. Best estimate is usually based on costs incurred by an entity and not on the transfer price to a third party which could include a margin. Further, the risks and uncertainties that inevitably surround many events and circumstances are taken into account in reaching the best estimates of a provision. The expense relating to any provision is recognized in surplus or deficit.

3.17. Contingent Assets/Liabilities

a. Contingent Assets

Contingent assets are not recognized in the books of accounts but details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the NG are disclosed in the Notes to the FSs.

Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits will arise and the value of such benefits can be measured reliably, the asset and income shall be recognized in the financial statements.

b. Contingent Liabilities

Contingent liabilities are not recognized in the books of accounts but are disclosed in the Notes to FSs, unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

3.18. Revenue from non-exchange transactions

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

b. Recognition and measurement of 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 was also recognized in respect of the same inflow.

As the recipient entity satisfies the present obligation recognized as a liability in respect of an inflow of resources from a non-exchange transaction recognized as an asset, the carrying amount of the liability recognized is reduced and an amount of revenue equal to that reduction is recognized.

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognized by the entity, unless a corresponding liability is recognized.

c. Measurement of liabilities on initial recognition from non-exchange transactions

The amount recognized as a liability in a non-exchange transaction is the best estimate of the amount required to settle the present obligation at the reporting date.

d. Taxes

Taxes and the related fines and penalties are recognized when collected or

when these are measurable and legally collectible. The related refunds that are measurable and legally due to the taxpayers are deducted from the recognized tax revenue if refunds are done during the year the taxes are collected.

e. Fees and fines not related to taxes

Revenue from fees and fines, except those related to taxes, is recognized when earned and when the asset recognition criteria are met.

Deferred income is recognized instead of revenue if there is a related condition attached that would give rise to a liability to repay the amount.

Other non-exchange revenue is recognized when 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.

f. Gifts and donations

Assets and revenue from gifts and donations are recognized when it is probable that the future economic benefits or service potential will flow to the entity and when the fair value of the assets can be measured reliably.

Goods in-kind are recognized as assets when the goods are received, or when there is a binding arrangement to receive the goods. If goods in-kind are received without condition, revenue is recognized immediately. If conditions are attached, a liability is recognized, which is reduced as revenue is recognized when the conditions are satisfied.

Gifts and donations including goods in-kind are initially measured at fair value as at the date of acquisition, which is ascertained by reference to an active market, or by appraisal. An appraisal of the value of an asset is normally undertaken by a member of the valuation profession who holds a recognized and relevant professional qualification. For many assets, the fair value is ascertained by reference to quoted prices in an active and liquid market.

g. Services in-kind

Services in-kind are not recognized as asset nor revenue considering the complexity of the determination and recognition of asset and revenue and the eventual recognition of expenses.

3.19. *Revenue from exchange transactions*

a. Measurement

Revenue from exchange transactions is measured at the fair value of the consideration received or receivable. Revenue is recognized when it is probable that the future economic benefits or service potential will flow to

the entity and when these benefits can be measured reliably.

b. Rendition of services

Revenue from the rendition of services is recognized 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 as at reporting date as a percentage of total estimated labor hours.

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

c. Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership are transferred to the buyer, usually upon delivery of the goods and when the amount of revenue can be measured reliably and when it is probable that future economic benefits or service potential associated with the transaction will flow to the entity.

d. Interest income

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the outstanding principal to determine interest income for each period.

e. Dividends

Dividends or similar distributions are recognized when the entity's right to receive payment is established.

f. Rental Income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and included in revenue.

3.20. *Foreign currency transactions*

Transactions in foreign currencies are recorded in Philippine peso based on Bangko Sentral ng Pilipinas (BSP) exchange rate prevailing at the date of the transaction. Foreign currency denominated monetary assets and liabilities at the reporting date are restated based on BSP Weighted Average Rate published on the first working day of the following month in the BSP Reference Exchange Rate Bulletin. Any difference in the revaluation of assets and liabilities is recognized as a gain or loss on foreign exchange.

3.21. Budget information

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

To enable comparability between budget and actual results, both budgeting and reporting systems must be prepared under similar assumptions allowing easy understanding and assessment. The symmetry is fundamental as it determines accountability for implementing the budget as authorized.

The SCBAA is prepared as an additional component of the FSs, as the budget and the FSs were not prepared on a comparable basis. The SCBAA presents the original and final budget, and the actual receipts and payments. Explanatory comments on the overall growth/decline of the budget including details of overspending/underspending are provided in the notes to the annual financial statements.

4. CASH AND CASH EQUIVALENTS

The total Cash and Cash Equivalents as at December 31, 2019 is composed of the following:

Particulars	2019	2018 (Restated)
	(in thousand pesos)	
Cash on Hand	2,749,938	2,299,324
Cash in Bank-Local Currency	352,385,747	493,413,582
Cash in Bank-Foreign Currency	161,027,145	128,277,659
Cash Equivalents	790,024	2,134,497
Total	<u>516,952,854</u>	<u>626,125,062</u>

4.1. Cash on Hand

Cash on Hand consists of Cash-Collecting Officers and Petty Cash amounting to P2.19 billion and P562.42 million, respectively.

a. Cash-Collecting Officers

Cash-Collecting Officers represents the sum of money received by authorized collecting officers but remained unremitted/undeposited to the National Treasury or to authorized government depository banks (AGDBs) as at the reporting date. Unremitted/undeposited collections were reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
State Universities and Colleges	469,027	21.44
The Judiciary	285,732	13.06
Justice	246,410	11.26
Health	212,805	9.73
Finance	191,525	8.76

Department/Office	Amount (in thousand pesos)	Percent to Total
Foreign Affairs	185,115	8.46
Transportation	122,275	5.59
Budget and Management	91,406	4.18
Public Works and Highways	76,200	3.48
Labor and Employment	53,450	2.44
Sub-total	1,933,943	88.41
Other Departments/Offices	253,575	11.59
Total	<u>2,187,518</u>	<u>100.00</u>

b. Petty Cash

This refers to the unexpended portion of PCF still in the possession of petty cash custodians as at the reporting date.

The departments/offices which reported balances of Petty Cash are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
Public Works and Highways	151,086	26.86
State Universities and Colleges	112,458	20.00
Interior and Local Government	52,963	9.42
Social Welfare and Development	51,512	9.16
Health	42,359	7.53
Transportation	32,428	5.77
National Defense	23,539	4.19
Other Executive Offices	22,075	3.93
Education	10,869	1.93
Commission on Elections	7,887	1.40
Sub-total	507,178	90.18
Other Departments/Offices	55,242	9.82
Total	<u>562,420</u>	<u>100.00</u>

4.2. Cash in Bank-Local Currency

Cash in Bank-Local Currency is composed of the following accounts:

Particulars	2019	2018 (Restated)
	(in thousand pesos)	
Bangko Sentral ng Pilipinas	28,942,247	74,787,132
Current Account	212,348,179	214,867,901
Savings Account	70,598,088	71,172,410
Time Deposits	40,497,233	132,586,139
Total	<u>352,385,747</u>	<u>493,413,582</u>

a. Cash in Bank-Local Currency, Bangko Sentral ng Pilipinas

This pertains to the deposits made with the BSP. This includes deposits recognized by BTr for the collections remitted by various entities, proceeds from the issuances/flotations and maturities of treasury bills (T-Bills) and

treasury bonds (T-Bonds), and fund transfers from other cash accounts of the BTr.

The departments/offices which reported balances of this account are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
Finance	28,124,514	97.17
Other Executive Offices	817,731	2.83
Agriculture	<u>2</u>	<u>0.00</u>
Total	<u>28,942,247</u>	<u>100.00</u>

b. Cash in Bank-Local Currency, Current Account

Cash in Bank-Local Currency, Current Account pertains to the deposits made by agencies to AGDBs for income authorized to be used under specific laws and trust receipts authorized under specific contracts and agreements. The departments/offices maintaining peso deposits in current account with AGDBs are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
State Universities and Colleges	37,353,581	17.59
Office of the President	27,693,351	13.04
Finance	20,034,235	9.43
Health	14,805,661	6.97
National Defense	13,948,082	6.57
Social Welfare and Development	13,592,964	6.40
Education	11,571,365	5.45
Trade and Industry	9,260,076	4.36
Energy	6,786,427	3.20
Budget and Management	<u>6,503,706</u>	<u>3.06</u>
Sub-total	<u>161,549,449</u>	<u>76.08</u>
Other Departments/Offices	<u>50,798,730</u>	<u>23.92</u>
Total	<u>212,348,179</u>	<u>100.00</u>

c. Cash in Bank-Local Currency, Savings Account

The peso savings accounts in local currency maintained with AGDBs were reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
Finance	38,562,427	54.62
The Judiciary	21,005,834	29.75
Public Works and Highways	2,694,724	3.82
State Universities and Colleges	2,142,857	3.04
Trade and Industry	2,033,721	2.88
National Defense	1,097,107	1.55
Budget and Management	859,071	1.22
Labor and Employment	850,188	1.20
Presidential Communications		
Operations Office	703,035	1.00

Department/Office	Amount (in thousand pesos)	Percent to Total
Foreign Affairs	<u>168,902</u>	<u>0.24</u>
Sub-total	70,117,865	99.32
Other Departments/Offices	<u>480,223</u>	<u>0.68</u>
Total	<u>70,598,088</u>	<u>100.00</u>

d. Cash in Bank-Local Currency, Time Deposits

This pertains to authorized placements of cash in local currency with AGDBs for a specific period of time. Time deposits in local currency maintained with AGDBs was reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
State Universities and Colleges	23,623,805	58.33
Budget and Management	13,500,000	33.34
Finance	1,535,502	3.79
The Judiciary	1,071,711	2.65
Transportation	703,372	1.74
Education	60,000	0.15
Trade and Industry	2,828	0.01
National Defense	<u>15</u>	<u>0.00</u>
Total	<u>40,497,233</u>	<u>100.00</u>

4.3. Cash in Bank-Foreign Currency

Cash in Bank-Foreign Currency is composed of the following:

Particulars	2019	2018 (Restated)
	(in thousand pesos)	
Bangko Sentral ng Pilipinas	130,034,744	93,468,911
Current Account	9,398,545	7,576,295
Savings Account	7,377,305	9,661,328
Time Deposits	<u>14,216,551</u>	<u>17,571,125</u>
Total	<u>161,027,145</u>	<u>128,277,659</u>

a. Cash in Bank-Foreign Currency, Bangko Sentral ng Pilipinas

This refers to the deposits of the BTr with the BSP for the collections from agencies, proceeds from borrowings and grants, and proceeds from maturities on investments in foreign currencies.

b. Cash in Bank-Foreign Currency, Current Account

This refers to foreign currency deposits of agencies implementing foreign-assisted projects and those authorized by a regulation or by the lending/donor institution to maintain Special Account/Imprest Account/Working Fund.

The total foreign currency deposits in current account maintained with

AGDBs was reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
Foreign Affairs	8,908,426	94.79
Labor and Employment	311,855	3.32
Health	81,179	0.86
Finance	62,538	0.67
State Universities and Colleges	22,608	0.24
Bangsamoro Autonomous Region in Muslim Mindanao	11,830	0.13
Environment and Natural Resources	110	0.00
Total	<u>9,398,545</u>	<u>100.00</u>

The amount of P8.91 billion of the Department of Foreign Affairs (DFA) pertains to the cash in bank retained at foreign service posts (FSPs) as working funds.

c. Cash in Bank-Foreign Currency, Savings Account

This pertains to foreign currency deposits of agencies implementing foreign-assisted projects and those authorized to maintain Special Accounts/Imprest Accounts. The departments/offices with foreign currency deposits in savings accounts with AGDBs are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
Agriculture	2,587,584	35.07
Energy	1,009,351	13.68
Transportation	620,329	8.41
Social Welfare and Development	604,697	8.20
Labor and Employment	572,764	7.76
Foreign Affairs	479,287	6.50
Public Works and Highways	363,721	4.93
State Universities and Colleges	245,574	3.33
Finance	227,511	3.08
Environment and Natural Resources	<u>223,011</u>	<u>3.02</u>
Sub-total	6,933,829	93.99
Other Departments/Offices	443,477	6.01
Total	<u>7,377,305</u>	<u>100.00</u>

Cash in Bank-Foreign Currency, Savings Account recognized by the Department of Agriculture (DA) refers to cash received by the offices and bureaus under the DA and Bureau of Fisheries and Aquatic Resources for the implementation of various foreign-assisted projects.

The balances reported by the Department of Energy (DOE) were foreign currency deposits maintained with the Philippine National Bank (PNB) of P858.54 million and with the Banco de Oro (BDO) of P150.81 million. The deposits with the PNB represent the partial credit guarantee component of the Electric Cooperative System Loss Reduction Project which is currently in escrow. The amount maintained with BDO is intended for the “Capacity Building to Remove Barriers to Renewable Energy Development” Project

funded under the Global Environmental Facility Fund. This project was initially implemented in 2003 and concluded in 2012. The said trust fund, however, has not yet been turned over to the BTr as at December 31, 2019.

d. Cash in Bank-Foreign Currency, Time Deposits

This represents placements of cash in foreign currency with AGDBs for a specific period of time. The total time deposits in foreign currency maintained with AGDBs was reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
Finance	13,980,295	98.34
State Universities and Colleges	192,694	1.36
Trade and Industry	43,562	0.31
Total	<u>14,216,551</u>	<u>100.00</u>

The amount reported by the Department of Finance corresponds to the balance recognized by BTr for the NG.

Other Notes on Local and Foreign Currency Deposits

As at December 31, 2019, Cash in Bank recognized by the BTr for the account of the NG amounted to P224.45 billion. This comprises deposits in local currency of P80.21billion, and in foreign currencies of P144.24 billion. The BTr reported that dormant accounts amounting to P600.48 million were identified from these deposits subject to verification and request for write-off, if applicable. The total Cash in Bank of P224.45 billion is composed of the following:

Particulars	Amount (in thousand pesos)
Free balances	104,836,721
Modified Disbursement System (MDS) seed money	2,296,056
Restricted accounts	94,101,562
Project loan/grant proceeds	<u>23,215,399</u>
Total	<u>224,449,738</u>

Free balances pertain to the amounts available for use for NG operations. Details are as follows:

Particulars	Amount (in thousand pesos)
BSP-Foreign Currency Deposit (FCD) Dollar Account	24,455,397
BSP-FCD Yen Account	17,809,306
BSP-FCD Chinese Yuan Account	13,346,819
BSP-Foreign Currency Time Deposit (FCTD) Dollar Account	48,172,480
BSP-FCTD Chinese Yuan Account	5,062,502
LBP-Savings Accounts	2,820,718
LBP-FCTD Dollar Account	10,811,220
UCPB-Savings Accounts	30,032,154
Authorized Agent Banks-BIR	7,241,551
Authorized Agent Banks-BOC	4,514,534
Various accounts	<u>(59,429,960)</u>
Total	<u>104,836,721</u>

The MDS Seed Money refers to the portion of cash reserved to pay expenditures charged against MDS accounts. This is being replenished daily by the BTr upon request by Authorized Servicing Banks (ASBs). The MDS Seed Money is composed of the following accounts:

Particulars	Amount (in thousand pesos)
Land Bank of the Philippines-MDS	1,542,370
Development Bank of the Philippines-MDS	737,646
Philippine Veterans Bank-MDS	<u>16,039</u>
Total	<u>2,296,056</u>

Restricted accounts represent special/sinking funds, managed funds and escrow accounts. These consist of the following accounts:

Particulars	Amount (in thousand pesos)
TSA NG Bond Sinking Fund (BSF)	80,878,914
TSA NG Special Guaranty Fund (SGF)	330,764
TSA Securities Stabilization Fund (SSF)	2,992,531
TSA Foreign Swiss Deposit	2,806,297
TSA Metropolitan Waterworks and Sewerage System SRF	364,456
TSA Presidential Commission on Good Government (PCGG) Escrow	1,425,504
LBP SA PD Agro Industry Modernization Credit & Financing Program	1,458,317
TFCA2 Fund	1,359,590
DSWD Trust Account	1,680,355
Development Bank of the Philippines (DBP) Dollar Escrow	272,301
Various accounts	<u>532,534</u>
Total	<u>94,101,562</u>

Project loan/grant proceeds refer to the amounts earmarked for utilization by various implementing agencies, as follows:

Particulars	Amount (in thousand pesos)
BSP-Peso Deposits (various)	2,027,256
BSP-Foreign Currency Deposits (various)	21,188,085
LBP-Foreign Currency Deposits (various)	<u>59</u>
Total	<u>23,215,399</u>

4.4. Cash Equivalents

Cash Equivalents refers to T-Bills issued by the NG through the BTr with a maturity period not exceeding 90 days.

a. Treasury Bills

This is composed of placements made by the University of the Philippines System (UPS), DOE and Department of Labor and Employment (DOLE) amounting to P327.00 million, P325.86 million and P137.17 million, respectively.

The T-Bills held by the UPS pertains to the balance of UP-Los Baños

maintained with the LBP and DBP while those recognized by the DOE are placements under the Oil Price Stabilization and Gasoline Training and Loan Fund. On the other hand, the T-Bills of DOLE are in accordance with the memorandum of agreement entered into by the department and the LBP, which consists of the balances of the Social Amelioration Program funds including interests accrued therefrom.

5. INVESTMENTS

The current portion of NG investments comprises the following accounts:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Financial Assets at Fair Value through Surplus or Deficit	920	920
Financial Assets-Held to Maturity	2,341,421	6,360,789
Sinking Fund	<u>82,593,782</u>	<u>157,609,091</u>
Total	<u>84,936,123</u>	<u>163,970,801</u>

5.1. *Financial Assets at Fair Value through Surplus or Deficit*

This represents the Philippine Normal University's investments in preferred stocks and deposits for new electric meter to Manila Electric Company.

5.2. *Financial Assets-Held to Maturity*

Financial Assets-Held to Maturity is composed of the following accounts:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Investments in Treasury Bills-Local	1,534,174	5,509,764
Investments in Treasury Bonds-Local	<u>807,247</u>	<u>851,025</u>
Total	<u>2,341,421</u>	<u>6,360,789</u>

a. Investments in Treasury Bills-Local

This pertains to money invested in T-Bills with 91 days and above maturity issued by the NG thru the BTr. The total Investments in Treasury Bills-Local was reported by the following departments/offices:

Department/Office	Amount <i>(in thousand pesos)</i>	Percent to Total
Finance	1,343,757	87.59
State Universities and Colleges	168,500	10.98
Trade and Industry	<u>21,917</u>	<u>1.43</u>
Total	<u>1,534,174</u>	<u>100.00</u>

The Investments in Treasury Bills-Local recognized by the DOF refers to several investments of the Municipal Development Fund Office (MDFO)

with the LBP with maturity period not exceeding one year.

b. Investments in Treasury Bonds-Local

Investments in Treasury Bonds-Local represents the retail treasury bonds acquired by the UPS, University of Northern Philippines and the Overseas Workers Welfare Administration amounting to P750.09 million, P24.68 million and P32.48 million, respectively.

5.3. Sinking Fund

The balance of P82.59 billion reported by the BTr consists of investments in time deposits and T-Bills, and BSF set aside to cover redemption of issued and outstanding bonds of LBP-Agrarian Reform Fund (ARF). Details are as follows:

Particulars	Amount (in thousand pesos)
BSF-TD (LBP)	27,687,865
BSF-FCTD-Dollar (DBP)	16,844,833
BSF-FCTD-Dollar (LBP)	38,028,964
LBP- ARF BSF	32,120
Total	<u>82,593,782</u>

6. RECEIVABLES

Current Receivables outstanding as at year-end aggregated to P957.20 billion, net of Allowance for Impairment of P8.25 billion. These receivables are composed of the following:

Particulars	2019			2018 (Restated)
	Gross Amount	Allowance for Impairment	Carrying Amount	Carrying Amount
	(in thousand pesos)			
Loans and Receivable Accounts	139,700,619	7,273,640	132,426,979	124,954,277
Lease Receivables	491,276	33,368	457,908	327,800
Inter-Agency Receivables	719,675,410	-	719,675,410	687,749,488
Intra-Agency Receivables	15,534,400	-	15,534,400	12,636,581
Other Receivables	<u>90,040,801</u>	<u>938,874</u>	<u>89,101,927</u>	<u>83,916,348</u>
Total	<u>965,442,506</u>	<u>8,245,883</u>	<u>957,196,624</u>	<u>909,584,494</u>

6.1. Loans and Receivable Accounts

This group of accounts is composed of the following:

Particulars	2019			2018 (Restated)
	Gross Amount	Allowance for Impairment	Carrying Amount	Carrying Amount
	(in thousand pesos)			
Accounts Receivable	32,922,328	3,613,010	29,309,318	29,388,021

Particulars	2019			2018 (Restated)
	Gross Amount	Allowance for Impairment	Carrying Amount	Carrying Amount
	<i>(in thousand pesos)</i>			
Notes Receivable	301,353	50,937	250,416	130,763
Loans Receivable-Government- Owned or Controlled Corporations	6,208,719	1,225,374	4,983,344	5,054,743
Loans Receivable-Local Government Units	9,685,125	9,440	9,675,686	8,609,733
Interests Receivable	72,511,123	21,410	72,489,714	67,344,631
Loans Receivable-Others	<u>18,071,970</u>	<u>2,353,469</u>	<u>15,718,501</u>	<u>14,426,387</u>
Total	<u>139,700,619</u>	<u>7,273,640</u>	<u>132,426,979</u>	<u>124,954,277</u>

a. Accounts Receivable

Accounts Receivable arising from regular trade and business transactions amounted to P29.31 billion, net of Allowance for Impairment of P3.61 billion. The departments/offices with balances of Accounts Receivable, Net are as follows:

Department/Office	Amount <i>(in thousand pesos)</i>	Percent to Total
Finance	11,738,827	40.05
Health	5,938,549	20.26
State Universities and Colleges	4,556,166	15.55
Information and Communications Technology	3,554,950	12.13
Energy	1,490,309	5.08
Environment and Natural Resources	802,293	2.74
Justice	275,689	0.94
Agriculture	174,738	0.60
Presidential Communications Operations Office	151,559	0.52
Trade and Industry	<u>140,979</u>	<u>0.48</u>
Sub-total	28,824,059	98.34
Other Departments/Offices	<u>485,259</u>	<u>1.66</u>
Total	<u>29,309,318</u>	<u>100.00</u>

The Accounts Receivable of the DOF includes claims of the BTr under LBP-ARF for the land acquired by agrarian reform beneficiaries in accordance with the provisions of Republic Act (R.A.) No. 3844, R.A. No. 9700, R.A. No. 6657, Presidential Decree (P.D.) No. 27, Executive Order (E.O.) No. 228, E.O. No. 229 and Letter of Instruction No. 1180A. It also includes dues from landowners/farmers/beneficiaries/ cooperatives arising from land transfer claim and other loan related transactions, and portion of the contract price of sold real and other properties acquired (ROPA) in settlement of ARF funded loans. Details are as follows:

Particulars	Gross Amount	Allowance for Impairment	Carrying Amount
	<i>(in thousand pesos)</i>		
Agrarian Reform Receivable	14,222,037	2,485,255	11,736,781
Claims from Landowners, etc.	10,524	10,116	408
Contract Receivable – Sold ROPA	<u>172</u>	<u>-</u>	<u>172</u>
Total	<u>14,232,732</u>	<u>(2,495,371)</u>	<u>11,737,361</u>

b. Notes Receivable

The current portion of Notes Receivable of P250.42 million, net of Allowance for Impairment of P50.94 million, was reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
Health	239,687	95.72
Agriculture	5,574	2.23
Science and Technology	5,000	2.00
State Universities and Colleges	155	0.06
Total	<u>250,416</u>	<u>100.00</u>

The Notes Receivable of P236.69 million, net of Allowance for Impairment of P11.62 million, reported by the DOH pertains to the promissory notes issued by several patients for services rendered to them by different government hospitals.

The balance of the DA of P5.57 million, net of Allowance for Impairment of P39.32 million, represents the receivables of the Philippine Council for Agriculture and Fisheries (PCAF) and the Philippine Fiber Industry Development Authority (PhilFIDA). The amount of P37.92 million which was reported by PCAF as totally impaired represents receivables from Victoria Multi-Purpose Cooperative since 1998 for sales under contract of 10,139.93 metric tons of urea fertilizer-commodity grants provided under the United States Public Law 480 Title I Program. The balance of P5.57 million, net of Allowance for Impairment of P1.39 million, reported by the PhilFiDA pertains to the dormant accounts of Imperial Textile Mills and Atlas Development Corporation which are subject of request for authority to write off.

c. Loans Receivable-Government-Owned or Controlled Corporations

Loans Receivable-Government-Owned or Controlled Corporations pertains to credits/loans in foreign or local currency extended by the NG to the GFIs/GOCCs covered by loan agreements. The following departments/offices reported balances of this account as at yearend:

Department/Office	Amount (in thousand pesos)	Percent to Total
Finance	3,228,852	64.79
Agriculture	1,623,324	32.57
Agrarian Reform	122,973	2.47
Energy	8,196	0.16
Total	<u>4,983,344</u>	<u>100.00</u>

d. Loans Receivable-Local Government Units

This refers to the credit extended to local government units covered by loan

agreements. Among the departments/offices of the NG, the following reported balances of this account:

Department/ Office	Amount (in thousand pesos)	Percent to Total
Finance	9,476,054	97.94
Agriculture	197,869	2.05
Bangsamoro Autonomous Region in Muslim Mindanao	1,530	0.02
State Universities and Colleges	233	0.00
Total	<u>9,675,686</u>	<u>100.00</u>

The amount recognized by the DOF pertains to loans, including interests, granted by the MDFO to LGUs.

Loans granted by DA to LGUs is composed loans in the form of 4-wheel tractors, irrigation pumps and warehouses with a repayment period of 5-10 years. This also includes P31.65 million loans granted to LGUs under the Agricultural Competitiveness Enhancement Fund (ACEF).

e. Interests Receivable

This represents accrued interests on advances and investments. Interests Receivable expected to be collected within the next 12 months from the reporting date was reported by the following departments/offices:

Department/ Office	Amount (in thousand pesos)	Percent to Total
Finance	72,107,061	99.47
Science and Technology	224,363	0.31
State Universities and Colleges	56,492	0.08
Other Executive Offices	46,133	0.06
Education	25,571	0.04
Trade and Industry	14,309	0.02
Transportation	6,919	0.01
Agrarian Reform	2,667	0.00
Labor and Employment	2,325	0.00
Agriculture	1,994	0.00
Sub-total	<u>72,487,832</u>	<u>100.00</u>
Other Departments/ Offices	1,882	00.00
Total	<u>72,489,714</u>	<u>100.00</u>

The amount of P72.11 billion reported by the DOF consists mainly of interests recognized by the BTr on NG advances of P63.67 billion, Treasurer of the Philippines FCTD of P249.49 million, and in various time deposits, government securities and managed funds of P8.13 billion. This also includes the interest earned from LBP-ARF of P9.36 million.

f. Loans Receivable-Others

Loans granted to recipients other than GCs and LGUs were reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
Agriculture	8,509,813	54.14
Education	4,690,148	29.84
National Defense	776,943	4.94
Other Executive Offices	480,613	3.06
Trade and Industry	322,591	2.05
Finance	266,474	1.70
Labor and Employment	237,092	1.51
Agrarian Reform	151,140	0.96
State Universities and Colleges	136,063	0.87
Science and Technology	86,124	0.55
Sub-total	15,657,001	99.61
Other Departments/Offices	61,500	0.39
Total	<u>15,718,501</u>	<u>100.00</u>

Loans recognized by the DA are those granted to beneficiaries of ACEF, Western Visayas “in life” Program, and Comprehensive Agrarian Reform Program (CARP), and those loans granted to farmers and cooperatives in the form of post-harvest equipment, facilities, shallow tube wells, open surface sources and other farm supplies and equipment. These also include the unpaid portion of ACPC loans to cooperatives which are due and demandable.

6.2. *Lease Receivable*

The current portion of Lease Receivable consists of Operating Lease Receivable and Finance Lease Receivable of P331.73 million and P126.18 million, respectively.

a. **Operating Lease Receivable**

Rental income from lease of assets which remained uncollected as at yearend were reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
Agriculture	187,351	56.48
State Universities and Colleges	66,697	20.11
Other Executive Offices	37,592	11.33
Environment and Natural Resources	20,642	6.22
Education	8,811	2.66
Transportation	4,548	1.37
Tourism	3,277	0.99
National Defense	2,705	0.82
Science and Technology	110	0.03
Total	<u>331,732</u>	<u>100.00</u>

b. **Finance Lease Receivable**

On January 27, 2004, the Privatization and Management Office (PMO) entered into a Deed of Conditional Sale with the Provincial Government of Abra (PGA). All the remaining assets of Cellophil Resources Corporation,

a transferred asset by NG to Asset Privatization Trust (APT) pursuant to Trust Agreement dated February 27, 1987, were conditionally sold to PGA for P100.20 million. The PGA had already paid P29.00 million from 2005 to 2007. The balance of P71.20 million remained uncollected as at December 31, 2019.

On April 21, 2016, a contract to sell was executed by PMO in favor of Triplex Enterprises, Incorporated for two parcels of land located in Parañaque City with an area of approximately 13,000 sq. m. The land was formerly owned by Luzon Aggregates, Incorporated, and was transferred by NG to PMO for disposition. The sale amounted to P268.00 million with a down payment of P32.00 million and the balance payable in five years through quarterly amortizations with interest at the rate of 3.5 per cent per annum or for a total consideration of P290.93 million. Current portion of the outstanding balance as at yearend was P54.98 million.

6.3. *Inter-Agency Receivables*

The details of this group of accounts are presented below:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Due from National Government Agencies	42,771,400	29,352,436
Due from Government-Owned or Controlled Corporations	630,593,081	613,085,394
Due from Local Government Units	46,310,927	45,293,811
Due from Joint Venture	2	17,846
Total	<u>719,675,410</u>	<u>687,749,488</u>

a. **Due from National Government Agencies**

This represents the advances/fund transfers to NGAs for the procurement of goods and services as authorized by law and for the implementation of various programs/projects under specific contracts and agreements, and other receivables from agencies.

The balance of Due from National Government Agencies account was netted against the balance of Due to National Government Agencies account to eliminate the effect of inter-agency transactions for the NG as a whole. However, some agencies failed to reconcile such accounts, thereby resulting in residual balance of P42.77 billion for FY 2019, details as follows:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Due from National Government Agencies	125,344,521	106,397,738
<i>Less: Due to National Government Agencies</i>	<u>82,573,121</u>	<u>77,045,302</u>
Difference	<u>42,771,400</u>	<u>29,352,436</u>

The unliquidated/unpaid portion of inter-agency advances/fund transfers

were reported by the following departments/offices:

Department/Office	Due from NGAs	Due to NGAs
	<i>(in thousand pesos)</i>	
Other Executive Offices	27,785,017	1,819,474
Public Works and Highways	2,812,707	24,000,571
Budget and Management	2,451,295	16,701,423
Science and Technology	17,584,041	4,407,219
Education	7,474,168	972,758
Transportation	11,059,956	4,857,546
Health	6,802,247	695,682
Agriculture	7,772,868	1,874,216
Interior and Local Government	5,805,965	289,151
Environment and Natural Resources	<u>4,761,177</u>	<u>129,506</u>
Sub-total	94,309,442	55,747,546
Other Departments/Offices	<u>31,035,079</u>	<u>26,825,575</u>
Total	<u>125,344,521</u>	<u>82,573,121</u>

b. Due from Government-Owned or Controlled Corporations

Due from Government-Owned or Controlled Corporations refers to advances for the purchase of goods/services as authorized by law, fund transfers to the GCs for implementation of projects, guarantee fees for NG-guaranteed loans of Government Financial Institutions (GFIs)/GCs, NG advances for debt service payments on NG-relent or guaranteed loans of GFIs/GCs and other receivables from GFIs/GCs. Unliquidated/unpaid portion of this account was reported by the following departments/offices:

Department/Office	Amount	Percent
	<i>(in thousand pesos)</i>	<i>to Total</i>
Finance	537,778,180	85.28
Agriculture	13,695,038	2.17
National Defense	13,665,951	2.17
Transportation	13,232,932	2.10
Health	10,242,164	1.62
Public Works and Highways	7,630,334	1.21
Other Executive Offices	6,429,963	1.02
Social Welfare and Development	5,655,537	0.90
Interior and Local Government	5,044,479	0.80
Trade and Industry	<u>3,979,202</u>	<u>0.63</u>
Sub-Total	617,353,780	97.90
Other Departments/Offices	<u>13,239,301</u>	<u>2.10</u>
Total	<u>630,593,081</u>	<u>100.00</u>

Due from Government-Owned or Controlled Corporations recognized by the DOF is composed primarily of receivables of the BTr for the account of the NG. Details are as follows:

Particulars	Amount
	<i>(in thousand pesos)</i>
1. NG's refinancing of BSP advances/payments on liabilities – Central Bank-Board of Liquidators (CB-BOL)	274,228,692
2. NG advances in behalf of GCs/GFIs for their foreign and domestic obligations (principal, interest and other charges)	218,293,279

Particulars	Amount (in thousand pesos)
3. Guarantee fee receivables from GCs/GFIs	28,643,168
4. NG advances for assumed GCs/GFIs guaranteed obligations	1,779,513
5. Dormant accounts subject to verification and consequently will be requested for write-off	6,546,173
6. Overdue accounts from Loans Receivable which were reclassified to Due from GOCCs	2,726,794
7. Balance of loans outlay released to LBP under the Agrarian Reform Loans	1,235,111
8. NG Receivable from BSP on International Monetary Fund remuneration on the reserve tranche	1,124,720
9. LBP-ARF Clearing Account with the LBP for ARF collections	180,281
10. Others	<u>74,332</u>
Total	<u>534,832,063</u>

c. Due from Local Government Units

This represents balances of funds transferred to LGUs for purchase of goods/services as authorized by law, fund transfers to the LGUs for implementation of projects, share from LGUs' income, and other receivables. The departments/offices with balances of this account are the following:

Department/Office	Amount (in thousand pesos)	Percent to Total
Agriculture	14,814,544	31.99
Health	5,974,483	12.90
Social Welfare and Development	4,684,377	10.12
Interior and Local Government	3,792,374	8.19
Public Works and Highways	3,221,557	6.96
Labor and Employment	3,101,432	6.70
Other Executive Offices	2,133,960	4.61
Transportation	2,083,342	4.50
Environment and Natural Resources	1,041,449	2.25
Metro Manila Development Authority	<u>1,030,056</u>	<u>2.22</u>
Sub-Total	<u>41,877,573</u>	<u>90.43</u>
Other Departments/Offices	<u>4,433,353</u>	<u>9.57</u>
Total	<u>46,310,927</u>	<u>100.00</u>

Funds transferred by the DA to LGUs are intended for the implementation of infrastructure and post-harvest facility projects such as farm-to-market roads, small water impounding projects, and repair and rehabilitation of existing irrigation system. These are also intended to carry out National Livestock Program, tramline projects being implemented by Philippine Center for Postharvest Development and Mechanization (PhilMech) and other community-based projects involving agriculture and fisheries.

6.4. Intra-Agency Receivables

Intra-Agency Receivables refers to reciprocal accounts within the entity between the Central Office, Staff Bureaus, ROs and OUs. Components of this

account are as follows:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Due from Central Office	128,775	490,739
Due from Bureaus	5,789	17,993
Due from Regional Offices	6,241,870	1,302,162
Due from Operating Units	8,793,582	10,251,423
Due from Other Funds	<u>364,383</u>	<u>574,264</u>
Total	<u>15,534,400</u>	<u>12,636,581</u>

Effects of intra-agency transactions were eliminated during consolidation. Agencies match related transactions to eliminate in full their account balances. As at yearend, however, unmatched balances were reported by the following departments/offices:

Department/Office	Amount <i>(in thousand pesos)</i>	Percent to Total
Education	8,258,866	53.17
Bangsamoro Autonomous Region in Muslim Mindanao	2,857,607	18.40
Agriculture	1,061,187	6.83
Foreign Affairs	749,569	4.83
Agrarian Reform	669,580	4.31
Trade and Industry	634,836	4.09
State Universities and Colleges	478,260	3.08
Health	248,644	1.60
National Defense	194,990	1.26
Environment and Natural Resources	<u>158,982</u>	<u>1.02</u>
Sub-Total	15,312,521	98.57
Other Departments/Offices	<u>221,879</u>	<u>1.43</u>
Total	<u>15,534,400</u>	<u>100.00</u>

6.5. *Other Receivables*

Details of this group of accounts are as follows:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Receivables-Disallowances/Charges	10,010,668	13,929,961
Due from Officers and Employees	1,701,106	1,522,042
Due from Non-Government Organizations/ People's Organizations	17,917,742	10,747,608
Other Receivables	<u>59,472,412</u>	<u>57,716,736</u>
Total	<u>89,101,927</u>	<u>83,916,348</u>

a. **Receivables-Disallowances/Charges**

This refers to disallowances/charges imposed by the auditors due from public and private entities or individuals which have become final and

executory. As at yearend, the balance of this account was reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
Finance	1,960,863	19.59
Public Works and Highways	1,356,244	13.55
National Defense	1,292,546	12.91
Bangsamoro Autonomous Region in Muslim Mindanao	1,042,703	10.42
Interior and Local Government	635,705	6.35
Agriculture	629,880	6.29
Agrarian Reform	606,522	6.06
Education	458,073	4.58
State Universities and Colleges	384,778	3.84
Health	322,481	3.22
Sub- total	8,689,796	86.81
Other Departments/Offices	1,320,872	13.19
Total	<u>10,010,668</u>	<u>100.00</u>

b. Due from Officers and Employees

This includes claims from officers and employees for overpayment of salaries and other personnel benefits, operating expenses, cash shortages, losses of assets and other bills. The following departments/offices reported outstanding claims from their officers and employees:

Department/Office	Amount (in thousand pesos)	Percent to Total
National Defense	722,538	42.47
Health	182,195	10.71
State Universities and Colleges	108,165	6.36
Environment and Natural Resources	101,443	5.96
Foreign Affairs	89,742	5.28
Justice	88,039	5.18
The Judiciary	67,221	3.95
Agriculture	65,311	3.84
Finance	53,710	3.16
Education	46,629	2.74
Sub-total	1,524,993	89.65
Other Departments/Offices	176,112	10.35
Total	<u>1,701,106</u>	<u>100.00</u>

c. Due from Non-Government Organizations/People's Organizations

Unliquidated portion of advances granted to Non-Government Organizations (NGOs)/People's Organizations (POs) for the implementation of various government programs/projects were reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
Other Executive Offices	8,175,340	45.63
Social Welfare and Development	2,191,072	12.23

Department/Office	Amount (in thousand pesos)	Percent to Total
Agriculture	1,987,263	11.09
Science and Technology	1,739,010	9.71
Education	1,222,812	6.82
Environment and Natural Resources	736,226	4.11
Labor and Employment	531,583	2.97
Agrarian Reform	483,750	2.70
Trade and Industry	366,087	2.04
Health	<u>226,280</u>	<u>1.26</u>
Sub-total	17,659,425	98.56
Other Departments/Offices	<u>258,317</u>	<u>1.44</u>
Total	<u>17,917,742</u>	<u>100.00</u>

d. Other Receivables

This represents receivables from other debtors not falling under any of the specific receivable accounts. The following departments/ offices reported balances of this account:

Department/Office	Amount (in thousand pesos)	Percent to Total
The Judiciary	23,542,059	39.58
Finance	13,007,191	21.87
Commission on Elections	6,458,517	10.86
Commission on Audit	3,662,249	6.16
Science and Technology	3,439,501	5.78
Office of the Ombudsman	2,215,509	3.73
Energy	1,396,660	2.35
National Defense	1,099,353	1.85
Other Executive Offices	776,944	1.31
Civil Service Commission	<u>759,218</u>	<u>1.28</u>
Sub-total	56,357,201	94.76
Other Departments/Offices	<u>3,115,211</u>	<u>5.24</u>
Total	<u>59,472,412</u>	<u>100.00</u>

The receivables recognized by the Supreme Court of the Philippines (SCP) amounting to P20.98 billion primarily composed the balance reported by The Judiciary. These include, among others, the unpaid loans of qualified Court employees, dues from former employees, and funds transferred to local banks for the Court's infrastructure projects, training programs and expenses of the Halls of Justice.

7. INVENTORIES

This group of accounts consists of the following:

Particulars	2019	2018 (Restated)
	(in thousand pesos)	
Inventory Held for Sale	2,546,158	3,042,262
Inventory Held for Distribution	58,410,618	50,946,903
Inventory Held for Manufacturing	2,405,280	1,581,953

Particulars	2019	2018 (Restated)
	(in thousand pesos)	
Inventory Held for Consumption	47,407,051	41,047,423
Semi-Expendable Machinery and Equipment	4,249,046	2,666,637
Semi-Expendable Furniture, Fixtures and Books	<u>11,561,595</u>	<u>7,418,483</u>
Total	<u>126,579,748</u>	<u>106,703,660</u>

7.1. *Inventory Held for Sale*

a. **Merchandise Inventory**

This refers to the cost of goods purchased or acquired which are intended for sale in the ordinary course of business. It includes supplies and materials, drugs and medicines, agricultural produce, ammunitions, property and equipment, among others. As at yearend, the balance of merchandise inventory was reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
Health	1,068,913	41.98
Budget and Management	641,510	25.20
National Defense	576,550	22.64
State Universities and Colleges	248,389	9.76
Other Executive Offices	7,894	0.31
Trade and Industry	2,101	0.08
Education	468	0.02
National Economic and Development Authority	212	0.01
Agriculture	118	0.00
Justice	<u>3</u>	<u>0.00</u>
Total	<u>2,546,158</u>	<u>100.00</u>

Merchandise Inventory of the DOH pertains to drugs and medicines, medical, dental, laboratory and other related inventories that are held for sale by the pharmacies of different government hospitals.

Inventory reported by the DBM consists of inventories of the Procurement Service after deducting shortages and write-down caused by damage and obsolescence.

7.2. *Inventory Held for Distribution*

This group of accounts is composed of items/supplies for distribution, as follows:

Particulars	2019	2018 (Restated)
	(in thousand pesos)	
Food Supplies	86,708	86,074
Welfare Goods	1,951,477	1,921,529
Drugs and Medicines	21,070,425	21,515,222
Medical, Dental and Laboratory Supplies	3,843,763	3,264,026
Agricultural and Marine Supplies	9,958,614	8,232,347
Agricultural Produce	81,054	161,344

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Textbooks and Instructional Materials	671,859	521,632
Construction Materials	99,495	86,372
Property and Equipment	16,435,012	12,109,325
Other Supplies and Materials	<u>4,212,210</u>	<u>3,049,032</u>
Total	<u>58,410,618</u>	<u>50,946,903</u>

Inventories held for distribution were reported by the following departments/offices:

Department/Office	Amount <i>(in thousand pesos)</i>	Percent to Total
Health	31,444,864	53.83
Agriculture	18,996,118	32.52
National Defense	2,763,146	4.73
Social Welfare and Development	1,877,669	3.21
Agrarian Reform	1,428,000	2.44
Education	1,131,389	1.94
Bangsamoro Autonomous Region in Muslim Mindanao	186,383	0.32
Trade and Industry	154,082	0.26
Environment and Natural Resources	141,924	0.24
Transportation	<u>105,626</u>	<u>0.18</u>
Sub-total	58,229,199	99.69
Other Departments/Offices	<u>181,419</u>	<u>0.31</u>
Total	<u>58,410,618</u>	<u>100.00</u>

Total Inventory Held for Distribution reported by the DOH is composed of welfare goods, drugs and medicines, and medical, dental and laboratory supplies, property and equipment, textbooks and other instructional materials for distribution to patients, hospitals and health facilities.

7.3. *Inventory Held for Manufacturing*

This group of accounts is composed of the following:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Raw Materials Inventory	1,394,239	902,833
Work-in-Process Inventory	323,313	234,325
Finished Goods Inventory	<u>687,728</u>	<u>444,794</u>
Total	<u>2,405,280</u>	<u>1,581,953</u>

The departments/offices which reported balances of Inventories Held for Manufacturing are as follows:

Department/Office	Amount <i>(in thousand pesos)</i>	Percent to Total
National Defense	1,964,469	81.67
Transportation	276,671	11.50
Presidential Communications Operations Office	86,159	3.58

Department/Office	Amount (in thousand pesos)	Percent to Total
State Universities and Colleges	65,985	2.74
Health	11,987	0.50
Justice	8	0.00
Total	<u>2,405,280</u>	<u>100.00</u>

The Government Arsenal of the DND reported Raw Materials Inventory of P1.06 billion, Work-in-Process Inventory of P271.47 million and Finished Goods Inventory of P628.08 million. The Finished Goods Inventory consists of manufactured assorted ammunitions for delivery to the different DND offices.

7.4. *Inventory Held for Consumption*

This refers to the costs of purchase/acquisition of inventory intended for consumption in the regular operations of an entity. Balance of inventories held for consumption consists of the following:

Particulars	2019	2018 (Restated)
	(in thousand pesos)	
Office Supplies	4,770,694	4,446,621
Accountable Forms, Plates, and Stickers	2,610,174	2,304,122
Non-Accountable Forms	128,754	142,137
Animal/Zoological Supplies	49,503	38,248
Food Supplies	541,030	282,887
Drugs and Medicines	3,660,038	3,242,973
Medical, Dental, and Laboratory Supplies	4,690,502	4,413,053
Fuel, Oil and Lubricants	2,914,011	2,135,798
Agricultural and Marine Supplies	1,765,595	1,562,427
Textbooks and Instructional Materials	891,933	706,982
Military, Police, and Traffic Supplies	8,496,474	7,336,360
Chemical and Filtering Supplies	110,954	133,651
Construction Materials	4,669,234	4,421,044
Other Supplies and Materials	<u>12,108,156</u>	<u>9,881,121</u>
Total	<u>47,407,051</u>	<u>41,047,423</u>

Inventories held for consumption were reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
National Defense	18,052,496	38.08
Health	8,372,575	17.66
Transportation	5,325,487	11.23
Agriculture	2,318,765	4.89
Education	1,970,832	4.16
Public Works and Highways	1,960,048	4.13
Commission on Elections	1,924,039	4.06
State Universities and Colleges	1,562,999	3.30
Interior and Local Government	1,013,612	2.14
Finance	<u>773,652</u>	<u>1.63</u>
Sub-Total	<u>43,274,505</u>	<u>91.28</u>
Other Departments/Offices	<u>4,132,546</u>	<u>8.72</u>

Department/Office	Amount (in thousand pesos)	Percent to Total
Total	<u>47,407,051</u>	<u>100.00</u>

The balance of the DND pertains mostly to the unused supplies reported by the Philippine Army (PA), Philippine Air Force (PAF) and Philippine Navy (PN). The unconsumed supplies of the PA were composed mainly of military, police and traffic supplies such as ammunitions, explosives, magazines and other firearm accessories.

7.5. *Semi-Expendable Machinery and Equipment*

This refers to machinery and equipment purchased/acquired with unit cost of less than P15,000.00. It is composed of the following:

Particulars	2019	2018 (Restated)
	(in thousand pesos)	
Machinery	101,610	94,513
Office Equipment	451,018	266,576
Information and Communications Technology Equipment	1,209,176	540,631
Agricultural and Forestry Equipment	8,793	16,029
Marine and Fishery Equipment	10,500	7,692
Airport Equipment	120	-
Communications Equipment	65,513	62,591
Disaster Response and Rescue Equipment	100,627	120,474
Military, Police and Security Equipment	69,506	38,008
Medical Equipment	136,283	135,899
Printing Equipment	7,538	4,798
Sports Equipment	18,096	12,414
Technical and Scientific Equipment	1,694,906	1,087,289
Other Machinery and Equipment	<u>375,358</u>	<u>279,722</u>
Total	<u>4,249,046</u>	<u>2,666,637</u>

Semi-Expendable Machinery and Equipment which remained unissued or at hand at year-end were reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
Education	2,739,934	64.48
Health	250,455	5.89
Interior and Local Government	176,659	4.16
State Universities and Colleges	174,752	4.11
Commission on Elections	131,497	3.09
Environment and Natural Resources	103,008	2.42
Agriculture	98,288	2.31
The Judiciary	85,021	2.00
Public Works and Highways	79,829	1.88
Other Executive Offices	<u>52,349</u>	<u>1.23</u>
Sub-Total	<u>3,891,794</u>	<u>91.59</u>
Other Departments/Offices	<u>357,252</u>	<u>8.41</u>
Total	<u>4,249,046</u>	<u>100.00</u>

7.6. *Semi-Expendable Furniture, Fixtures and Books*

This refers to furniture, fixtures and books purchased/acquired with unit cost of less than P15,000.00. It is composed of the following:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Furniture and Fixtures	5,050,670	2,352,488
Books	<u>6,510,925</u>	<u>5,065,995</u>
Total	<u>11,561,595</u>	<u>7,418,483</u>

Semi-Expendable Furniture, Fixtures and Books were reported by the following departments/offices:

Department/Office	Amount <i>(in thousand pesos)</i>	Percent to Total
Education	10,614,152	91.81
State Universities and Colleges	254,763	2.20
The Judiciary	69,304	0.60
Health	67,822	0.59
Finance	62,744	0.54
Public Works and Highways	60,843	0.53
Commission on Elections	52,161	0.45
Environment and Natural Resources	45,274	0.39
Agriculture	38,768	0.34
Interior and Local Government	<u>36,541</u>	<u>0.32</u>
Sub-Total	11,302,371	97.76
Other Departments/Offices	<u>259,225</u>	<u>2.24</u>
Total	<u>11,561,595</u>	<u>100.00</u>

8. **OTHER CURRENT ASSETS**

This comprises advances, prepayments and deposits paid in anticipation of future performance of services, receipt of goods, incurrence of expenditures or the receipt of other assets. Other Current Assets is composed of the following:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Advances	17,393,016	12,303,186
Prepayments	107,822,082	94,813,386
Deposits	<u>53,157,554</u>	<u>52,885,797</u>
Total	<u>178,372,653</u>	<u>160,002,369</u>

8.1. *Advances*

This is composed of the following:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Advances for Operating Expenses	4,544,149	4,982,024
Advances for Payroll	1,369,308	1,695,343
Advances to Special Disbursing Officers	10,258,638	4,428,184
Advances to Officers and Employees	<u>1,220,920</u>	<u>1,197,635</u>
Total	<u>17,393,016</u>	<u>12,303,186</u>

a. **Advances for Operating Expenses**

This pertains to unliquidated cash advances granted to accountable officers for payment of operating expenses of operating/field units and FSPs not maintaining complete set of books of accounts. The departments/offices with balances of this account are as follows:

Department/Office	Amount <i>(in thousand pesos)</i>	Percent to Total
Education	2,594,528	57.10
Agriculture	716,199	15.76
Tourism	387,977	8.54
Trade and Industry	272,967	6.01
Labor and Employment	144,983	3.19
Foreign Affairs	119,526	2.63
Other Executive Offices	78,816	1.73
State Universities and Colleges	40,510	0.89
Commission on Human Rights	32,278	0.71
Information and Communications Technology	<u>30,164</u>	<u>0.66</u>
Sub-total	4,417,948	97.22
Other Departments/Offices	<u>126,201</u>	<u>2.78</u>
Total	<u>4,544,149</u>	<u>100.00</u>

The total unliquidated advances recognized by the DepEd is composed mainly of cash advances granted to school heads to support their regular operating requirements.

b. **Advances for Payroll**

This refers to the balance of cash advances granted to special disbursing officers for payment of salaries, wages, honoraria, allowances and other personnel benefits. The departments/offices with balances of this account are as follows:

Department/Office	Amount <i>(in thousand pesos)</i>	Percent to Total
Education	414,246	30.25
National Defense	242,853	17.74
Interior and Local Government	216,906	15.84
State Universities and Colleges	191,006	13.95

Department/Office	Amount (in thousand pesos)	Percent to Total
Health	56,219	4.11
Public Works and Highways	49,587	3.62
Presidential Communications Operations Office	47,038	3.44
Agriculture	28,350	2.07
Social Welfare and Development	25,244	1.84
Environment and Natural Resources	<u>24,066</u>	<u>1.76</u>
Sub-total	1,295,515	94.61
Other Departments/Offices	<u>73,793</u>	<u>5.39</u>
Total	<u>1,369,308</u>	<u>100.00</u>

c. Advances to Special Disbursing Officers

This pertains to advances granted to accountable officers and employees for special purpose/time-bound undertakings that were not liquidated as at year-end. This account also includes labor payroll for projects undertaken by administration.

The departments/offices with balances of this account are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
Commission on Elections	3,648,668	35.57
Social Welfare and Development	3,005,380	29.30
Education	861,396	8.40
Labor and Employment	542,604	5.29
Justice	437,004	4.26
Interior and Local Government	430,368	4.20
Other Executive Offices	344,500	3.36
State Universities and Colleges	163,479	1.59
Agriculture	137,331	1.34
National Defense	<u>116,554</u>	<u>1.14</u>
Sub-total	9,687,284	94.43
Other Departments/Offices	<u>571,354</u>	<u>5.57</u>
Total	<u>10,258,638</u>	<u>100.00</u>

Cash advances issued by the Commission on Elections to special disbursing officers are intended to defray election-related expenses such as trainings and seminars, mobilization satellite registrations, honoraria and allowances of poll workers, among others.

Advances of DSWD to special disbursing officers are intended to carry out various social programs and services. These include advances for the implementation of the Sustainable Livelihood Program, Modified Conditional Cash Transfer Program and Crisis Intervention Program. These are also granted to ease other social services such as cash for work, social pension and emergency shelter assistance.

d. Advances to Officers and Employees

This refers to the amount advanced to officers and employees for official travel. The departments/offices with balances of this account are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
Education	235,192	19.26
Commission on Elections	180,149	14.76
State Universities and Colleges	145,530	11.92
Foreign Affairs	90,932	7.45
Justice	81,908	6.71
National Defense	67,035	5.49
Labor and Employment	64,886	5.31
Health	60,930	4.99
Interior and Local Government	35,727	2.93
Commission on Audit	31,588	2.59
Sub-total	993,877	81.40
Other Departments/Offices	227,043	18.60
Total	<u>1,220,920</u>	<u>100.00</u>

8.2. Prepayments

This is composed of the following:

Particulars	2018	2017 (Restated)
	(in thousand pesos)	
Advances to Contractors	96,957,627	80,578,158
Prepaid Rent	613,927	580,483
Prepaid Registration	16,242	1,830
Prepaid Interest	5,682,952	9,848,830
Prepaid Insurance	1,567,493	2,226,448
Other Prepayments	2,983,841	1,577,636
Total	<u>107,822,082</u>	<u>94,813,386</u>

a. Advances to Contractors

This refers to advance payments to contractors as authorized by law, the balance of which was reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
Public Works and Highways	44,355,767	45.75
Transportation	32,796,162	33.83
National Defense	7,986,179	8.24
Health	5,669,434	5.85
Education	1,687,807	1.74
State Universities and Colleges	1,268,747	1.31
Agriculture	499,319	0.51
Science and Technology	465,763	0.48
Interior and Local Government	460,193	0.47
Bangsamoro Autonomous Region in Muslim Mindanao	342,409	0.35
Sub-total	95,531,779	98.53
Other Departments/Offices	1,425,847	1.47
Total	<u>96,957,627</u>	<u>100.00</u>

b. Prepaid Rent

This pertains to advance rental payments recognized by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
Foreign Affairs	355,512	57.91
Health	98,640	16.07
Transportation	32,678	5.32
Labor and Employment	32,421	5.28
Science and Technology	22,951	3.74
Other Executive Offices	16,928	2.76
Interior and Local Government	10,416	1.70
Trade and Industry	9,813	1.60
National Economic and Development Authority	4,060	0.66
Energy	<u>4,002</u>	<u>0.65</u>
Sub-total	587,421	95.68
Other Departments/Offices	<u>26,506</u>	<u>4.32</u>
Total	<u>613,927</u>	<u>100.00</u>

Prepaid Rent by the DFA refers to the advance rental payments by FSPs.

c. Prepaid Registration

This pertains to prepayments for registration of government property reported by the following departments/ offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
Transportation	12,792	78.76
Public Works and Highways	1,207	7.43
Science and Technology	975	6.00
Environment and Natural Resources	346	2.13
Interior and Local Government	246	1.51
State Universities and Colleges	165	1.01
Other Executive Offices	110	0.68
Health	103	0.63
Labor and Employment	62	0.38
Commission on Elections	<u>36</u>	<u>0.22</u>
Sub-total	16,041	98.77
Other Departments/Offices	<u>201</u>	<u>1.23</u>
Total	<u>16,242</u>	<u>100.00</u>

d. Prepaid Interest

Prepaid Interest pertains primarily to BTr balances which consists of prepayments of interests or discounts arising from the issuance of T-Bills that are maturing in 2020.

e. Prepaid Insurance

This represents the unexpired portion of insurance coverage for government

property recognized by the different departments/offices, as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
Finance	1,259,596	80.36
Health	75,319	4.81
State Universities and Colleges	45,038	2.87
Public Works and Highways	44,072	2.81
Agriculture	36,218	2.31
Science and Technology	15,281	0.97
Interior and Local Government	11,690	0.75
Environment and Natural Resources	11,289	0.72
Education	9,297	0.59
Commission on Audit	6,877	0.44
Sub-total	1,514,678	96.63
Other Departments/Offices	52,815	3.37
Total	<u>1,567,493</u>	<u>100.00</u>

f. Other Prepayments

Other prepayments are advance payments not falling under any of the specific prepayment accounts which were reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
National Defense	1,676,135	56.17
Public Works and Highways	429,989	14.41
Interior and Local Government	276,700	9.27
Agriculture	160,887	5.39
State Universities and Colleges	87,070	2.92
Health	85,582	2.87
Science and Technology	46,248	1.55
Environment and Natural Resources	42,487	1.42
Budget and Management	38,088	1.28
Transportation	35,491	1.19
Sub-total	2,878,677	96.48
Other Departments/Offices	105,164	3.52
Total	<u>2,983,841</u>	<u>100.00</u>

8.3. Deposits

This is composed of the following:

Particulars	2019	2018 (Restated)
	(in thousand pesos)	
Deposit on Letters of Credit	37,616,584	41,234,113
Guaranty Deposits	12,503,960	9,553,484
Other Deposits	3,037,010	2,098,200
Total	<u>53,157,554</u>	<u>52,885,797</u>

a. Deposit on Letters of Credit

Deposit on Letters of Credit represents the amount paid by the agency to the bank for opening letters of credit. This was reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
National Defense	26,082,894	69.34
Commission on Elections	4,918,574	13.08
Health	4,208,575	11.19
Interior and Local Government	1,224,646	3.26
Budget and Management	941,379	2.50
Agriculture	123,287	0.33
Science and Technology	116,829	0.31
State Universities and Colleges	206	0.00
Presidential Communications Operations Office	194	0.00
Total	<u>37,616,584</u>	<u>100.00</u>

Deposit on Letters of Credit of P26.08 billion secured by the DND from AGDBs pertains primarily to the supply and delivery of firearms, ammunitions, vehicular and communication requirements of the Armed Forces of the Philippines contracted with foreign suppliers and the cost of freight forwarding.

b. Guaranty Deposits

This pertains to deposits for containers and other similar items, and deposits made to guarantee compliance with the terms of an agreement, which were reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
Agriculture	6,022,983	48.17
National Defense	5,219,836	41.75
Public Works and Highways	377,027	3.02
Foreign Affairs	325,320	2.60
Transportation	93,752	0.75
State Universities and Colleges	82,462	0.66
Health	70,865	0.57
Bangsamoro Autonomous Region in Muslim Mindanao	54,611	0.44
Environment and Natural Resources	42,200	0.34
Science and Technology	<u>39,630</u>	<u>0.32</u>
Sub-total	<u>12,328,685</u>	<u>98.60</u>
Other Departments/Offices	<u>175,275</u>	<u>1.40</u>
Total	<u>12,503,960</u>	<u>100.00</u>

Guaranty deposits of the DA includes P6.02 billion rendered for its contribution/augmentation to Agricultural Guarantee Fund Pool for Rice Self-Sufficiency Program.

c. Other Deposits

Total Other Deposits was reported by the following departments/ offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
National Defense	2,898,964	95.45
Foreign Affairs	34,449	1.13
State Universities and Colleges	20,560	0.68
Finance	19,403	0.64
Health	18,155	0.60
Other Executive Offices	11,871	0.39
Science and Technology	11,455	0.38
Labor and Employment	8,372	0.28
Congress of the Philippines	3,232	0.11
Environment and Natural Resources	<u>3,115</u>	<u>0.10</u>
Sub-total	3,029,576	99.76
Other Departments/Offices	<u>7,434</u>	<u>0.24</u>
Total	<u>3,037,010</u>	<u>100.00</u>

9. INVESTMENTS

The non-current portion of NG investments comprises the following:

Particulars	2019	2018 (Restated)
	(in thousand pesos)	
Financial Assets-Held to Maturity	9,867,898	7,462,397
Financial Assets-Others	217,412,742	213,706,851
Investments in GOCCs	252,031,507	248,865,689
Investments in Joint Venture	22,950	-
Sinking Fund	<u>571,551,847</u>	<u>473,786,790</u>
Total	<u>1,050,886,944</u>	<u>943,821,727</u>

9.1. Financial Assets-Held to Maturity

a. Investments in Treasury Bonds-Local

Investments in Treasury Bonds-Local represents the entire Financial Assets-Held to Maturity. Four departments/offices reported this account, as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
Finance	9,435,837	95.62
Trade and Industry	164,326	1.67
National Economic Development Authority	134,000	1.36
Education	<u>133,735</u>	<u>1.36</u>
Total	<u>9,867,898</u>	<u>100.00</u>

Among agencies of the DOF, only the MDFO reported this account which pertains to investment placements with the LBP.

9.2. *Financial Assets-Others*

This group of accounts is composed of the following:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Investments in Stocks	169,685,897	168,671,074
Investments in Bonds	5,673,015	5,651,785
Other Investments	42,053,830	39,383,993
Total	<u>217,412,742</u>	<u>213,706,851</u>

a. Investments in Stocks

The departments/offices which reported Investments in Stocks are as follows:

Department/Office	Amount <i>(in thousand pesos)</i>	Percent to Total
Finance	169,557,817	99.92
Trade and Industry	117,218	0.07
Agriculture	8,126	0.00
State Universities and Colleges	1,673	0.00
Justice	444	0.00
Sub-total	169,685,278	100.00
Other Departments/Offices	619	0.00
Total	<u>169,685,897</u>	<u>100.00</u>

Among the agencies under the DOF, the BTr and PMO reported P169.16 billion or 99.77 percent and P396.16 million or 0.23 percent, respectively.

The amount reported by the BTr consists of NG subscriptions to the capital stocks of international financial institutions, as follows:

Particulars	Amount <i>(in thousand pesos)</i>
ASEAN Infrastructure Fund (AIF)	415,953
Asian Development Bank	2,479,734
ADB Credit Guarantee and Investment Facility	1,098,339
Asian Infrastructure Investment Bank	9,945,504
International Bank for Reconstruction and Development (IBRD)	1,305,534
International Development Association	912,305
International Finance Corporation	50,877
International Fund for Agricultural Development	121,925
International Monetary Fund	152,742,471
Multilateral Investment Guarantee Agency	89,008
Total	<u>169,161,651</u>

b. Investments in Bonds

The DOF and SUCs reported P4.93 billion or 86.93 percent and P741.19 million or 13.07 percent, respectively.

The DOF Investments in Bonds consists of P4.93 billion or 99.92 percent by the BTr and P4.03 million or 0.08 percent by the PMO.

The amount reported by the BTr pertains to NG investment in NIA Bonds. The purchase by the NG of a 10-year 8.375 percent NIA Bonds due in 2013 with a face amount of USD 97 million was approved by the BSP Monetary Board, under its Resolution No. 1511 dated October 15, 2003, based on the proposal of the Republic of the Philippines (ROP) to settle the obligation of the NIA arising from taxes paid by California Energy Casecnan Water and Energy Company, Inc. (Casecnan), pursuant to the Supplemental Agreement to the Amended and Restated Casecnan Project Agreement between NIA and Casecnan, which involves the following simultaneous transactions:

1. Issuance by ROP of 10-year USD 97 million Bonds, the proceeds of which shall be used to purchase NIA bonds;
2. Issuance by NIA of 10-year USD 97 million Bonds guaranteed by ROP, the proceeds of which shall be used to pay its obligation to Casecnan for taxes paid by Casecnan for the Multi-Purpose Project; and
3. Purchase by Casecnan of the ROP Bonds.

The Investment in NIA Bonds was already requested for reclassification to NG Advances to NIA given the circumstances surrounding the issuance of NIA Bond wherein the NG was the investor/buyer, using the proceeds from ROP issued bonds, to allow NIA to settle its obligation to Casecnan.

The amount reported by the PMO represents partial settlement by the DBP of its obligation which was due to the discrepancy in the transfer price of Northern Cement Corporation account under the Deed of Transfer dated February 27, 1987 as reconciled through DBP letter dated August 31, 1999.

c. Other Investments

Total Other Investments was reported by the following departments/ offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
Labor and Employment	18,485,549	43.96
State Universities and Colleges	12,485,381	29.69
Finance	9,848,489	23.42
Other Executive Offices	380,873	0.91
Agrarian Reform	250,965	0.60
Agriculture	227,818	0.54
Science and Technology	215,603	0.51
Social Welfare and Development	100,000	0.24
Office of the President	23,140	0.06
Trade and Industry	20,351	0.05
Sub-total	42,038,167	99.96
Other Departments/Offices	15,663	0.04
Total	42,053,830	100.00

The Overseas Workers Welfare Administration (OWWA) reported P18.32 billion or 99.11 percent of the total for DOLE. This pertains to investments managed by the DBP and the LBP representing the amounts placed under Investment Management Agreement (IMA) as authorized by the Board of Trustees on August 9, 2004. The Agreements with the said banks were signed on April 21, 2005 designating them as investment managers of OWWA's investible funds/assets. The transfer of funds to the investment managers started on May 23, 2005.

The UPS reported P12.43 billion or 99.56 percent of the total Other Investments of SUCs. This was reported by the following UPS campuses:

Particulars	Amount (in thousand pesos)
University of the Philippines System (UPS) Administration	11,443,760
University of the Philippines Diliman	118,305
University of the Philippines Philippine General Hospital	67
University of the Philippines Los Baños	868,441
Total	<u>12,430,574</u>

The investments of P11.44 billion are covered by IMA between UP and LBP and DBP.

9.3. *Investments in GOCCs*

The total Investments in GOCCs of P252.03 billion was reported solely by the DOF-BTr, details of which are as follows:

Particulars	Amount (in thousand pesos)
NG equity in stock GCs	121,134,309
NG equity in non-stock GCs	121,783,031
NG equity in non-stock GCs which were already defunct, converted to other NGAs and non-GCs	9,114,167
Total	<u>252,031,507</u>

9.4. *Investments in Joint Venture*

Negros Oriental State University reported P22.95 million.

9.5. *Sinking Fund*

The balance of the Sinking Fund of P571.55 billion was reported entirely by the DOF – BTr which includes NG-issued and NG-guaranteed LBP and National Food Authority (NFA) securities administered/managed by the BTr, details of which are as follows:

Particulars	Amount (in thousand pesos)
Bond Sinking Funds-Securities (Bonds)	497,778,210
Bond Sinking Funds-Securities (ROP)	73,773,637
Total	<u>571,551,847</u>

10. RECEIVABLES

Total non-current Receivables of the NG is composed of the following:

Particulars	2019			2018 (Restated)
	Gross Amount	Allowance for Impairment	Carrying Amount	Carrying Amount
	<i>(in thousand pesos)</i>			
Loans and Receivable Accounts	184,381,111	160,661	184,220,450	188,420,338
Lease Receivables	<u>16,175,643</u>	<u>28,641</u>	<u>16,147,002</u>	<u>16,780,689</u>
Total	<u>200,556,754</u>	<u>189,302</u>	<u>200,367,453</u>	<u>205,201,026</u>

10.1. Loans and Receivable Accounts

This consists of the following:

Particulars	2019			2018 (Restated)
	Gross Amount	Allowance for Impairment	Carrying Amount	Carrying Amount
	<i>(in thousand pesos)</i>			
Notes Receivable	137,012,596	-	137,012,596	137,012,596
Loans Receivable-Government-Owned or Controlled Corporations	46,402,707	-	46,402,707	50,588,733
Loans Receivable-Local Government Units	15,424	-	15,424	45,875
Interests Receivable	722,811	34,678	688,133	693,207
Loans Receivable-Others	<u>227,575</u>	<u>125,983</u>	<u>101,592</u>	<u>79,926</u>
Total	<u>184,381,111</u>	<u>160,661</u>	<u>184,220,450</u>	<u>188,420,338</u>

a. Notes Receivable

The Notes Receivable was reported entirely by the DOF-BTr. It refers to a promissory note issued by the CB-BOL in favor of the TOP in substitution for the frozen/retained deposits in the CB-BOL. Issuance of a new promissory note in support of this balance had been requested from the CB-BOL.

b. Loans Receivable-Government-Owned or Controlled Corporations

This was reported solely by the DOF-BTr which pertained to loans outlays to GCs (cash and constructive cash). Accordingly, when the GCs are unable to pay their loans, the NG advances payment to the creditors in behalf of GCs debiting the account Due from Government-Owned or Controlled Corporations for the total amount paid (principal plus interest and other charges) and crediting Loans Receivable-Government-Owned or Controlled Corporations for the principal portion only.

c. Loans Receivable-Local Government Units

The Bureau of Local Government Finance and MDFO reported P13.30 million or 86.23 percent and P2.12 million or 13.77 percent, respectively.

d. Interests Receivable

The DOTr and DOF reported P683.87 million or 99.38 percent, and P4.26 million or 0.62 percent, respectively.

e. Loans Receivable-Others

The DTI, SUCs, and DND reported balances of P80.30 million or 79.04 percent, P21.28 million or 20.95 percent, and P7 thousand or 0.01 percent, respectively.

10.2. Lease Receivables

This consists of the following:

Particulars	2019			2018 (Restated)
	Gross Amount	Allowance for Impairment	Carrying Amount	Carrying Amount
	<i>(in thousand pesos)</i>			
Operating Lease Receivable	968,718	28,641	940,077	940,077
Finance Lease Receivable	15,206,926	-	15,206,926	15,840,612
Total	<u>16,175,643</u>	<u>28,641</u>	<u>16,147,002</u>	<u>16,780,689</u>

a. Operating Lease Receivable

Of the P940.08 million, the DOTr and DOF reported P910.83 million or 96.89 percent and P29.25 million or 3.11 percent, respectively.

b. Finance Lease Receivable

The PMO reported the following details:

Particulars	Amount <i>(in thousand pesos)</i>
G. Holdings, Inc.	241,702
Philnico Mining and Industrial Corporation	14,905,856
Social Housing Finance Corporation	45,322
Triplex Enterprises, Incorporated	14,046
Total	<u>P15,206,926</u>

11. INVESTMENT PROPERTY

This refers to investments in land and buildings and is composed of the following:

Particulars	2019			2018 (Restated)
	Gross Amount	Accumulated Depreciation	Carrying Amount	Carrying Amount
	<i>(in thousand pesos)</i>			
Investment Property, Land	2,182,356	-	2,182,356	2,195,028
Investment Property, Buildings	303,608	160,810	142,798	110,320
Construction in Progress-Investment Property, Buildings	<u>24,742</u>	<u>-</u>	<u>24,742</u>	<u>1,744</u>
Total	<u>2,510,706</u>	<u>160,810</u>	<u>2,349,896</u>	<u>2,307,092</u>

11.1. Land and Buildings

a. Investment Property, Land

The BTr-NG reported P2.02 billion net of receivables from the PMO in line with the disposal of Al-Amanah Islamic Investment Bank of the Philippines' (AAIIBP) ROPAs, which pertains to the value of reclaimed land transferred by the Philippine National Construction Corporation (PNCC). The portion of the Land equivalent to P1.52 billion was part of the Asset Privatization Trust's (APT's) recovery from the PNCC account while the portion equivalent to P510.00 million was DOF's proportionate right which was assigned to BTr.

Among the SUCs, UPS reported a balance of P166.85 million.

b. Investment Property, Buildings

The following departments/offices reported this account:

Department/Office	Amount <i>(in thousand pesos)</i>	Percent to Total
State Universities and Colleges	125,284	87.74
Trade and Industry	13,500	9.45
Education	<u>4,014</u>	<u>2.81</u>
Total	<u>142,798</u>	<u>100.00</u>

Among the SUCs, 11 tertiary schools led by the Catanduanes College, Batangas State University, and Southern Luzon State University reported balances of Investment Property, Buildings.

The DTI – Philippine Trade Training Center reported P13.5 million, net of accumulated depreciation of P128.14 million, which pertains to the acquired building with an area of 3,032 square meter used for rental of facilities.

c. Construction in Progress-Investment Property, Buildings

The Bohol Island State University and Central Mindanao University reported P24.57 million or 99.75 percent and P61 thousand or 0.25 percent, respectively.

12. PROPERTY, PLANT AND EQUIPMENT

This is composed of the following:

Particulars	2019				2018 (Restated)
	Gross Amount	Accumulated Depreciation	Accumulated Impairment Losses	Carrying Amount	Carrying Amount
	<i>(in thousand pesos)</i>				
Land	392,336,376	-	783	392,335,593	380,020,332
Land Improvements	25,816,466	5,029,391	338,851	20,448,225	19,212,893
Infrastructure Assets	1,730,032,496	938,036,861	4,393	791,991,242	661,890,830
Buildings and Other Structures	371,922,342	101,410,686	233,537	270,278,119	225,883,791
Machinery and Equipment	329,875,466	147,937,655	54,009	181,883,802	152,884,958
Transportation Equipment	132,180,445	62,439,443	8,073	69,732,929	66,920,095
Furniture, Fixtures and Books	18,719,245	8,809,742	2,178	9,907,325	10,684,171
Leased Assets	3,053,933	586,670	-	2,467,263	2,409,982
Leased Assets Improvements	702,292	367,479	-	334,814	485,848
Heritage Assets	1,681,959	250,037	-	1,431,921	1,230,525
Service Concession Tangible Assets	19,470,311	8,449,871	-	11,020,440	11,700,372
Other Property, Plant and Equipment	8,538,708	4,084,841	65,600	4,388,268	3,796,496
Construction in Progress	<u>1,694,097,420</u>	<u>-</u>	<u>-</u>	<u>1,694,097,420</u>	<u>1,525,879,672</u>
Total	<u>4,728,427,458</u>	<u>1,277,402,676</u>	<u>707,423</u>	<u>3,450,317,359</u>	<u>3,062,999,964</u>

12.1. Land

This refers to the Land account reported by following departments/offices:

Department/Office	Amount <i>(in thousand pesos)</i>	Percent to Total
National Defense	210,615,245	53.68
Finance	57,345,291	14.62
Social Welfare and Development	40,461,037	10.31
State Universities and Colleges	24,203,894	6.17
Education	15,786,304	4.02
Transportation	13,961,920	3.56
Interior and Local Government	9,375,035	2.39
Foreign Affairs	3,144,934	0.80
Public Works and Highways	3,028,636	0.77
Health	<u>2,957,861</u>	<u>0.75</u>
Sub-total	380,880,156	97.08
Other Departments/Offices	<u>11,455,437</u>	<u>2.92</u>
Total	<u>392,335,593</u>	<u>100.00</u>

The top three agencies under DND which reported P202.35 million or 96.07 percent are the following: PAF – P79.86 billion or 37.92 percent, PA – P74.49 billion or 35.37 percent, General Headquarters-Armed Forces of the Philippines (GHQ-AFP) – P47.99 billion or 22.79 percent.

12.2. Land Improvements

The total Land Improvements is composed of the following:

Particulars	2019				2018 (Restated)
	Gross Amount	Accumulated Depreciation	Accumulated Impairment Losses	Carrying Amount	Carrying Amount
	<i>(in thousand pesos)</i>				
Land Improvements, Aquaculture Structures	617,576	365,854	1,561	250,162	538,211
Land Improvements, Reforestation Projects	11,560,444	-	336,317	11,224,127	10,094,650
Other Land Improvements	<u>13,638,446</u>	<u>4,663,537</u>	<u>973</u>	<u>8,973,936</u>	<u>8,580,031</u>
Total	<u>25,816,466</u>	<u>5,029,391</u>	<u>338,851</u>	<u>20,448,225</u>	<u>19,212,893</u>

a. Land Improvements, Aquaculture Structures

This was reported by the following departments/offices:

Department/Office	Amount <i>(in thousand pesos)</i>	Percent to Total
Agriculture	131,830	52.70
State Universities and Colleges	62,127	24.83
Environment and Natural Resources	40,343	16.13
Education	7,924	3.17
Trade and Industry	3,761	1.50
Finance	2,142	0.86
Agrarian Reform	1,653	0.66
Health	<u>382</u>	<u>0.15</u>
Total	<u>250,162</u>	<u>100.00</u>

Of the DA balance of P131.83 million, the Bureau of Fisheries and Aquatic Resources (BFAR) and the DA – Proper accounted for P111.11 million or 84.29 percent and P20.72 million or 15.71 percent, respectively. BFAR disclosed that the account relates to fishery and marine structures such as drainage systems and incidental structures for fishponds.

b. Land Improvements, Reforestation Projects

The DENR reported P11.22 billion or 99.97 percent which pertains to land improvements acquired through, among others, National Greening Program, Upland Development Program, DILG – TISP (DAP Fund) and Overseas Economic Cooperation Fund of Japan.

c. Other Land Improvements

Other Land Improvements pertained to costs of improvements such as

parking lots, landscape, walkways, sidewalks, fences, and the like. This was reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
Public Works and Highways	3,798,435	42.33
State Universities and Colleges	1,326,184	14.78
National Defense	1,163,605	12.97
Agriculture	843,916	9.40
Environment and Natural Resources	339,462	3.78
Science and Technology	306,904	3.42
Health	260,966	2.91
Education	200,944	2.24
Tourism	117,932	1.31
Social Welfare and Development	101,379	1.13
Sub-Total	8,459,726	94.27
Other Departments/Offices	514,210	5.73
Total	<u>8,973,936</u>	<u>100.00</u>

12.3. Infrastructure Assets

This is composed of the following:

Particulars	2019				2018 (Restated)
	Gross Amount	Accumulated Depreciation	Accumulated Impairment Losses	Carrying Amount	Carrying Amount
	(in thousand pesos)				
Road Networks	1,377,754,360	786,954,965	28	590,799,366	524,347,819
Flood Control Systems	323,883,574	142,680,993	-	181,202,581	123,744,571
Sewer Systems	150,221	24,782	4,152	121,287	104,077
Water Supply Systems	2,354,654	244,774	8	2,109,872	1,266,332
Power Supply Systems	1,913,554	674,798	204	1,238,551	919,461
Communications Networks	1,053,349	678,705	-	374,643	320,917
Seaport Systems	4,842,605	3,656,499	-	1,186,107	912,752
Airport Systems	6,700,997	2,371,631	-	4,329,366	3,225,430
Parks, Plazas and Monuments	1,046,017	371,618	-	674,399	698,012
Other Infrastructure Assets	10,333,165	378,096	-	9,955,069	6,351,459
Total	<u>1,730,032,496</u>	<u>938,036,861</u>	<u>4,393</u>	<u>791,991,242</u>	<u>661,890,830</u>

a. Road Networks

The departments/offices that reported this account are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
Public Works and Highways	585,916,664	99.17
Metropolitan Manila Development Authority	2,483,737	0.42
Agriculture	1,544,156	0.26
National Defense	579,823	0.10
State Universities and Colleges	193,446	0.03
Sub-total	590,717,827	99.99
Other Departments/Offices	81,540	0.01
Total	<u>590,799,366</u>	<u>100.00</u>

b. Flood Control Systems

The departments/offices with balances of this account are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
Public Works and Highways	174,181,250	96.13
Metropolitan Manila Development Authority	6,870,708	3.79
Environment and Natural Resources	41,011	0.02
Office of the President	39,008	0.02
State Universities and Colleges	29,754	0.02
National Defense	20,195	0.01
Other Executive Offices	18,879	0.01
Bangsamoro Autonomous Region in Muslim Mindanao	1,776	0.00
Total	<u>181,202,581</u>	<u>100.00</u>

The amount reported by the DPWH, net of accumulated depreciation of P139.35 billion, pertained to projects such as seawalls, river walls and other flood control system facilities for public use.

The amount reported by the Metropolitan Manila Development Authority (MMDA) covered projects for dredging, riprapping and drainage improvements in Metro Manila which include costs of design/build/rehabilitation/upgrading of pumping stations and floodgates.

c. Sewer Systems

This was reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
Health	82,603	68.11
National Defense	29,587	24.39
State Universities and Colleges	8,979	7.40
Public Works and Highways	117	0.10
Total	<u>121,287</u>	<u>100.00</u>

d. Water Supply Systems

This pertains to water source facilities, irrigation canals and laterals, waterways, water utilities systems and other water supply facilities for public use or for income generation. The departments/offices with balances of this account are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
Public Works and Highways	1,058,786	50.18
Agriculture	497,678	23.59
Environment and Natural Resources	232,858	11.04
State Universities and Colleges	155,500	7.37
Education	45,946	2.18
Health	34,069	1.61

Department/Office	Amount (in thousand pesos)	Percent to Total
National Defense	24,657	1.17
Interior and Local Government	22,841	1.08
Agrarian Reform	18,119	0.86
Science and Technology	<u>13,553</u>	<u>0.64</u>
Sub-total	2,104,008	99.72
Other Departments/Offices	<u>5,864</u>	<u>0.28</u>
Total	<u>2,109,872</u>	<u>100.00</u>

e. Power Supply Systems

The departments/offices with balances of this account are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
State Universities and Colleges	514,080	41.51
Education	193,994	15.66
Health	186,529	15.06
National Defense	177,469	14.33
Interior and Local Government	72,130	5.82
Agriculture	26,578	2.15
Justice	24,585	1.98
Science and Technology	12,253	0.99
Public Works and Highways	12,055	0.97
Labor and Employment	<u>6,894</u>	<u>0.56</u>
Sub-total	1,226,565	99.03
Other Departments/Offices	<u>11,986</u>	<u>0.97</u>
Total	<u>1,238,551</u>	<u>100.00</u>

f. Communications Networks

The departments/offices with balances of this account are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
Information and Communications Technology	188,193	50.23
Transportation	59,513	15.89
Metropolitan Manila Development Authority	48,569	12.96
Public Works and Highways	39,956	10.67
State Universities and Colleges	24,040	6.42
Interior and Local Government	6,677	1.78
Health	4,408	1.18
Environment and Natural Resources	1,747	0.47
National Defense	1,170	0.31
Education	<u>369</u>	<u>0.10</u>
Total	<u>374,643</u>	<u>100.00</u>

The amount reported by Department of Information and Communications Technology (DICT) pertains to National Telecommunications Commission (NTC) and DICT – Proper of P113.38 million and P74.82 million, net of accumulated depreciation of P60.94 million and P49.73 million, respectively.

g. Seaport Systems

The departments/offices with balances of this account are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
Transportation	900,061	75.88
Public Works and Highways	216,422	18.25
National Defense	66,306	5.59
Bangsamoro Autonomous Region in Muslim Mindanao	<u>3,318</u>	<u>0.28</u>
Total	<u>1,186,107</u>	<u>100.00</u>

Of the balance of the DOTr, the DOTr – Proper and the Philippine Coast Guard (PCG) reported P675.95 million and P224.12 million, respectively. The amount reported by the PCG refers to the cost of 588 completed lighthouses nationwide (structures only).

h. Airport Systems

This refers to landing and taking-off area for aircraft, passengers' arrival and departure areas, facilities for aircraft maintenance, and other airport facilities such as airport runways and taxiways, radio beacon, aprons, and the like, for public use or for income generating purposes.

The DOTr and DND reported P3.57 billion and P757.36 million, net of accumulated depreciation of P1.73 billion and P637.35 million, respectively. The amount reported by the DND pertains to infrastructure assets held by the PAF and GHQ–AFP.

i. Parks, Plazas and Monuments

Six departments/offices reported balances of this account, as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
Other Executive Offices	627,842	93.10
Tourism	17,148	2.54
Interior and Local Government	15,423	2.29
State Universities and Colleges	12,859	1.91
National Defense	1,016	0.15
Environment and Natural Resources	<u>112</u>	<u>0.02</u>
Total	<u>674,399</u>	<u>100.00</u>

The Pasig River Rehabilitation Center under the OEO reported the full amount of P627.84 million, net of accumulated depreciation of P356.48 million.

j. Other Infrastructure Assets

This pertains to public infrastructures which cannot be classified under any of the specific types of public infrastructures. The departments/offices with

balances of this account are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
Public Works and Highways	6,962,482	69.94
Agriculture	867,206	8.71
Education	848,085	8.52
Other Executive Offices	373,698	3.75
Environment and Natural Resources	271,834	2.73
Metropolitan Manila Development Authority	180,349	1.81
Health	144,154	1.45
Bangsamoro Autonomous Region in Muslim Mindanao	113,100	1.14
State Universities and Colleges	90,996	0.91
Science and Technology	64,876	0.65
Sub-total	9,916,780	99.62
Other Departments/Offices	38,289	0.38
Total	9,955,069	100.00

12.4. *Buildings and Other Structures*

This is composed of the following:

Particulars	2019				2018 (Restated)
	Gross Amount	Accumulated Depreciation	Accumulated Impairment Losses	Carrying Amount	Carrying Amount
	(in thousand pesos)				
Buildings	108,940,413	37,081,831	18,804	71,839,777	62,740,651
School Buildings	193,009,633	42,967,518	16,131	150,025,983	121,250,938
Hospitals and Health Centers	30,626,310	7,518,464	190,302	22,917,544	19,398,849
Markets	46,233	14,201	-	32,032	32,586
Slaughterhouses	1,381	1,258	-	123	382
Hostels and Dormitories	2,011,778	507,691	865	1,503,223	1,158,522
Other Structures	37,286,593	13,319,722	7,435	23,959,436	21,301,864
Total	371,922,342	101,410,686	233,537	270,278,119	225,883,791

a. **Buildings**

The departments/offices which reported balances of this account are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
Interior and Local Government	8,132,217	11.32
State Universities and Colleges	7,991,546	11.12
National Defense	7,136,932	9.93
Public Works and Highways	6,721,409	9.36
Finance	5,889,175	8.20
Agriculture	5,182,936	7.21
Education	5,079,127	7.07
Environment and Natural Resources	3,165,880	4.41
Congress of the Philippines	2,331,854	3.25
The Judiciary	2,210,258	3.08
Sub-total	53,841,335	74.95

Department/Office	Amount (in thousand pesos)	Percent to Total
Other Departments/Offices	17,998,442	25.05
Total	<u>71,839,777</u>	<u>100.00</u>

Of the amount reported by the DILG, the Philippine National Police (PNP), Bureau of Fire Protection (BFP) and National Police Commission contributed P4.72 billion, P1.71 billion and P752.68 million, respectively, while of the amount reported by SUCs, the UPS reported P1.75 billion or 21.92 percent.

b. School Buildings

The following departments/offices reported School Buildings account:

Department/Office	Amount (in thousand pesos)	Percent to Total
Education	111,078,881	74.04
State Universities and Colleges	28,250,270	18.83
Public Works and Highways	6,856,703	4.57
Science and Technology	1,578,317	1.05
Bangsamoro Autonomous Region in Muslim Mindanao	1,254,523	0.84
Trade and Industry	431,608	0.29
Interior and Local Government	327,472	0.22
Other Executive Offices	164,776	0.11
National Defense	83,433	0.06
Total	<u>150,025,983</u>	<u>100.00</u>

c. Hospitals and Health Centers

The departments/offices which reported balances of this account are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
Health	20,146,734	87.91
State Universities and Colleges	1,737,156	7.58
National Defense	869,860	3.80
Interior and Local Government	73,667	0.32
Public Works and Highways	53,980	0.24
Justice	25,457	0.11
Other Executive Offices	7,895	0.03
Trade and Industry	2,133	0.01
Office of the President	661	0.00
Total	<u>22,917,544</u>	<u>100.00</u>

Of the total balance reported by the DOH, the DOH–Proper accounted P20.14 billion or 99.98 percent, while the Commission on Population and Development contributed P4.60 million or 0.02 percent.

d. Markets

Six departments/offices reported balances of this account, as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
Public Works and Highways	16,379	51.13
Agriculture	9,124	28.49
Other Executive Offices	3,418	10.67
State Universities and Colleges	1,813	5.66
Bangsamoro Autonomous Region in Muslim Mindanao	1,275	3.98
Agrarian Reform	23	0.07
Total	<u>32,032</u>	<u>100.00</u>

e. Slaughterhouses

This was reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
Agriculture	65	52.76
State Universities and Colleges	58	47.24
Total	<u>123</u>	<u>100.00</u>

f. Hostels and Dormitories

The departments/offices which reported balances of this account are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
State Universities and Colleges	599,301	39.87
Science and Technology	423,560	28.18
Interior and Local Government	169,026	11.24
Commission on Audit	121,387	8.08
Agriculture	74,101	4.93
Labor and Employment	58,688	3.90
Education	52,164	3.47
Sub-total	1,498,226	99.67
Other Departments/Offices	4,997	0.33
Total	<u>1,503,223</u>	<u>100.00</u>

The balance for SUCs pertains to accounts of 41 SUCs. For the DOST, the Philippine Science High School System and the DOST–Proper reported P422.13 million or 99.66 percent and P1.44 million or 0.34 percent, respectively.

g. Other Structures

Below are the departments/offices with balances of this account:

Department/Office	Amount (in thousand pesos)	Percent to Total
National Defense	5,824,864	24.31
State Universities and Colleges	4,979,854	20.78
Interior and Local Government	2,355,065	9.83
Public Works and Highways	2,175,201	9.08
Agriculture	2,137,226	8.92
Education	1,591,227	6.64
Health	952,291	3.97
Other Executive Offices	854,926	3.57
Transportation	632,879	2.64
Foreign Affairs	625,275	2.61
Sub-total	22,128,808	92.36
Other Departments/Offices	1,830,628	7.64
Total	23,959,436	100.00

The top five agencies under DND which reported P5.78 billion or 99.29 percent are the following: GHQ–AFP – P2.16 billion, PAF – P1.66 billion, PN – P1.09 billion, PA – P801.60 million, and GA – P71.22 million.

12.5. Machinery and Equipment

This group of accounts is composed of the following:

Particulars	2019				2018 (Restated)
	Gross Amount	Accumulated Depreciation	Accumulated Impairment Losses	Carrying Amount	Carrying Amount
	(in thousand pesos)				
Machinery	5,822,644	2,586,083	605	3,235,957	2,670,149
Office Equipment	19,126,244	10,748,040	4,054	8,374,151	8,079,075
Information and Communications Technology Equipment	86,513,740	39,654,540	18,277	46,840,923	41,690,452
Agricultural and Forestry Equipment	2,384,094	1,021,857	2,222	1,360,015	1,261,849
Marine and Fishery Equipment	284,594	106,631	32	177,932	175,138
Airport Equipment	48,721	44,709	-	4,012	10,323
Communication Equipment	26,758,291	13,699,443	590	13,058,258	11,347,912
Construction and Heavy Equipment	14,602,845	6,114,128	388	8,488,329	5,130,322
Disaster Response and Rescue Equipment	12,336,753	7,557,492	-	4,779,261	4,829,421
Military, Police and Security Equipment	43,142,769	16,253,382	-	26,889,387	19,679,785
Medical Equipment	44,571,491	17,936,644	2,314	26,632,532	24,091,110
Printing Equipment	590,057	309,748	-	280,308	236,706
Sports Equipment	503,459	201,233	68	302,159	227,061
Technical and Scientific Equipment	49,321,954	17,145,704	22,518	32,153,731	25,729,045
Other Machinery and Equipment	23,867,810	14,558,020	2,942	9,306,848	7,726,610
Total	329,875,466	147,937,655	54,009	181,883,802	152,884,958

a. Machinery

Balance of this account was reported by the following departments/ offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
State Universities and Colleges	867,574	26.81
National Defense	698,529	21.59
Trade and Industry	590,105	18.24
Agriculture	277,069	8.56
Finance	188,883	5.84
Science and Technology	129,678	4.01
Environment and Natural Resources	122,329	3.78
Justice	65,614	2.03
Education	63,577	1.96
Health	62,972	1.95
Sub-total	3,066,331	94.76
Other Departments/Offices	169,626	5.24
Total	<u>3,235,957</u>	<u>100.00</u>

The top five agencies under DND which reported P691.37 million or 98.98 percent are the GA – P330.03 million, GHQ–AFP – P233.07 million, PA – P66.59 million, PN – P53.79 million and DND–Proper – P7.90 million.

b. Office Equipment

The departments/offices which reported balances of this account are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
State Universities and Colleges	1,967,058	23.49
Public Works and Highways	1,211,650	14.47
Education	978,617	11.69
Health	646,459	7.72
Agriculture	540,528	6.45
Environment and Natural Resources	299,313	3.57
Transportation	250,696	2.99
Science and Technology	242,069	2.89
Finance	240,967	2.88
National Defense	211,206	2.52
Sub-total	6,588,562	78.68
Other Departments/Offices	1,785,588	21.32
Total	<u>8,374,151</u>	<u>100.00</u>

Among the 114 SUCs, a total of P670.16 million or 34.07 percent were reported by the following five universities/colleges: UPS – P429.30 million, Isabela State University – P68.48 million, Marikina Polytechnic College – P66.92 million, Negros Oriental State University – P53.83 million and Pangasinan State University – P51.63 million.

c. Information and Communications Technology Equipment

The balance of this account was reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
Education	19,369,870	41.35
State Universities and Colleges	4,642,017	9.91
Commission on Elections	3,852,242	8.22
Public Works and Highways	2,269,141	4.84
Transportation	1,610,209	3.44
Agriculture	1,461,809	3.12
Justice	1,433,785	3.06
National Defense	1,329,012	2.84
Health	1,324,874	2.83
Finance	<u>1,305,474</u>	<u>2.79</u>
Sub-total	38,598,432	82.40
Other Departments/Offices	<u>8,242,491</u>	<u>17.60</u>
Total	<u>46,840,923</u>	<u>100.00</u>

Of the DepEd balance, DepEd – Proper reported P19.35 billion or 99.91 percent.

d. Agricultural and Forestry Equipment

The departments/offices which reported balance of this account are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
Agriculture	1,025,123	75.38
State Universities and Colleges	226,004	16.62
Environment and Natural Resources	71,221	5.24
Education	10,501	0.77
Trade and Industry	7,078	0.52
Agrarian Reform	6,318	0.46
Justice	5,132	0.38
Bangsamoro Autonomous Region in Muslim Mindanao	3,378	0.25
National Defense	2,531	0.19
Science and Technology	1,790	0.13
Labor and Employment	723	0.05
Public Works and Highways	<u>216</u>	<u>0.02</u>
Total	<u>1,360,015</u>	<u>100.00</u>

The balance of DA is composed of the following: DA–Proper– P874.12 million or 85.27 percent, PhilFIDA – P106.81 million or 10.42 percent, PhilMech – P22.36 million or 2.18 percent, BFAR – P14.06 million or 1.37 percent and PRRI – P7.78 million or 0.76 percent.

e. Marine and Fishery Equipment

This account was reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
Agriculture	136,945	76.96
State Universities and Colleges	25,234	14.18
Environment and Natural Resources	12,468	7.01
Trade and Industry	3,095	1.74
Education	189	0.11
Total	<u>177,932</u>	<u>100.00</u>

The balance of DA, reported entirely by the BFAR, includes scuba diving equipment, motor pumps, and incubation tanks.

f. Airport Equipment

Only three departments reported this account, namely: DILG – P2.48 million or 61.76 percent, DND – P1.44 million or 35.88 percent and DOTr – P95.00 thousand or 2.37 percent.

The DILG balance was reported by the PNP, pertaining to cost of equipment purchased for the Aviation Security Group assigned in airport terminals.

g. Communication Equipment

Below are the departments/offices with balances of this account:

Department/Office	Amount (in thousand pesos)	Percent to Total
National Defense	6,690,023	51.23
Interior and Local Government	2,488,794	19.06
Information and Communications Technology	1,187,108	9.09
Transportation	610,223	4.67
Public Works and Highways	474,887	3.64
State Universities and Colleges	311,244	2.38
Presidential and Communications Operations Office	200,657	1.54
Agriculture	194,293	1.49
Education	130,958	1.00
Science and Technology	127,552	0.98
Sub-total	<u>12,415,738</u>	<u>95.08</u>
Other Departments/Offices	642,519	4.92
Total	<u>13,058,258</u>	<u>100.00</u>

Of the DND balance, the GHQ–AFP reported P3.96 billion or 59.19 percent while the DILG reported P2.49 billion, which was topped by the PNP balance of P2.27 billion or 91.13 percent.

h. Construction and Heavy Equipment

The departments/offices which reported balances of this account are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
Public Works and Highways	5,432,770	64.00
National Defense	2,685,268	31.63
Metropolitan Manila Development Authority	262,685	3.09
State Universities and Colleges	46,248	0.54
Environment and Natural Resources	11,574	0.14
Trade and Industry	10,291	0.12
Education	9,654	0.11
Office of the President	9,234	0.11
Agriculture	6,606	0.08
Tourism	4,779	0.06
Sub-total	8,479,110	99.89
Other Departments/Offices	9,219	0.11
Total	<u>8,488,329</u>	<u>100.00</u>

The amount reported by the DPWH pertains to the cost of construction equipment used for the implementation of various infrastructure projects such as bulldozers, forklifts, graders, payloaders, dump trucks and the like.

i. Disaster Response and Rescue Equipment

The total balance of this account was reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
Interior and Local Government	4,340,965	90.83
National Defense	134,602	2.82
Metropolitan Manila Development Authority	111,470	2.33
State Universities and Colleges	47,669	1.00
Health	44,132	0.92
Transportation	19,985	0.42
Congress of the Philippines	18,670	0.39
Public Works and Highways	17,840	0.37
Environment and Natural Resources	7,753	0.16
Labor and Employment	7,153	0.15
Sub-total	4,750,240	99.39
Other Departments/Offices	29,021	0.61
Total	<u>4,779,261</u>	<u>100.00</u>

The total for the DILG of P4.34 billion was reported by the BFP and PNP of P4.34 billion or 99.88 percent and P5.21 million or 0.12 percent, respectively.

j. Military, Police and Security Equipment

The departments/offices with balances of this account are shown below.

Department/Office	Amount (in thousand pesos)	Percent to Total
National Defense	17,015,393	63.28
Interior and Local Government	8,987,235	33.42
Other Executive Offices	586,659	2.18
Justice	104,022	0.39
Congress of the Philippines	61,518	0.23
Transportation	42,007	0.16
Office of the President	23,650	0.09
State Universities and Colleges	23,220	0.09
Finance	16,895	0.06
Public Works and Highways	6,792	0.03
Sub-total	26,867,392	99.92
Other Departments/Offices	21,995	0.08
Total	<u>26,889,387</u>	<u>100.00</u>

Of the total for DND, P17.01 billion or 99.94 percent was reported by the following: GHQ–AFP – P12.25 billion, PA – P2.85 billion, PN – P1.51 billion, and PAF – P397.40 million.

The PNP reported P8.40 billion or 93.52 percent of the amount reported by the DILG pertaining to the costs of various types of short and long range firearms, anti-riot gears and other combat accessories purchased for PNP operations. In addition, the Bureau of Jail Management and Penology and the BFP reported P582.26 million and P231 thousand, respectively.

k. Medical Equipment

The departments/offices which reported balances of this account are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
Health	20,862,285	78.33
State Universities and Colleges	3,991,821	14.99
National Defense	1,116,327	4.19
Other Executive Offices	186,486	0.70
Agriculture	140,947	0.53
Interior and Local Government	136,142	0.51
Science and Technology	66,741	0.25
Justice	32,415	0.12
Education	29,404	0.11
Bangsamoro Autonomous Region in Muslim Mindanao	27,776	0.10
Sub-total	26,590,344	99.84
Other Departments/Offices	42,188	0.16
Total	<u>26,632,532</u>	<u>100.00</u>

The balance of DOH was reported mainly by the DOH – Proper.

l. Printing Equipment

Below are the departments/offices which reported balances of this account.

Department/Office	Amount (in thousand pesos)	Percent to Total
Presidential and Communications Operations Office	185,142	66.05
State Universities and Colleges	37,261	13.29
Public Works and Highways	15,863	5.66
Justice	15,544	5.55
Education	5,976	2.13
Environment and Natural Resources	5,494	1.96
Agriculture	2,940	1.05
Congress of the Philippines	2,725	0.97
Commission on Audit	2,666	0.95
Science and Technology	<u>2,510</u>	<u>0.90</u>
Sub-total	276,121	98.51
Other Departments/Offices	<u>4,187</u>	<u>1.49</u>
Total	<u>280,308</u>	<u>100.00</u>

Under the PCOO, the NPO and the Bureau of Communication Services reported P183.50 million or 99.12 percent and P1.64 million or 0.88 percent, respectively.

m. Sports Equipment

The departments/offices which reported balances of this account are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
State Universities and Colleges	107,320	35.52
Other Executive Offices	83,851	27.75
National Defense	54,146	17.92
Education	33,702	11.15
Interior and Local Government	3,925	1.30
Public Works and Highways	3,208	1.06
Health	3,113	1.03
Office of the President	1,910	0.63
Finance	1,737	0.57
Budget and Management	<u>1,716</u>	<u>0.57</u>
Sub-total	294,628	97.51
Other Departments/Offices	<u>7,531</u>	<u>2.49</u>
Total	<u>302,159</u>	<u>100.00</u>

The total of P41.57 million or 38.73 percent of the balance reported by the SUCs consisted of the following: UPS – P19.59 million, Bicol University – P9.27 million, Isabela State University – P5.73 million, Mountain Province State Polytechnic College – P3.76 million, and Cagayan State University – P3.21 million.

The PSC reported P83.11 million or 99.11 percent of the total for OEO.

n. Technical and Scientific Equipment

Balance of this account was reported by the following departments/ offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
Education	8,452,073	26.29
Science and Technology	6,256,790	19.46
State Universities and Colleges	4,587,596	14.27
Public Works and Highways	3,241,060	10.08
Interior and Local Government	2,011,028	6.25
Environment and Natural Resources	1,986,885	6.18
Agriculture	1,804,950	5.61
Transportation	1,143,494	3.56
National Defense	643,286	2.00
Energy	543,914	1.69
Sub-total	30,671,075	95.39
Other Departments/Offices	1,482,655	4.61
Total	<u>32,153,731</u>	<u>100.00</u>

For the DepEd, the DepEd – Proper, National Museum and Philippine High School for the Arts (NM) reported P8.38 billion or 99.10 percent, P73.74 million or 0.87 percent, and P2.51 million or 0.03 percent, respectively.

Of the total for DOST, P5.21 billion or 83.21 percent was reported by the following: PAGASA – P2.96 billion, ITDI – P736.90 million, PHIVOLCS – P637.37 million, DOST–Proper – P452.29 million, and MIRDC – P416.13 million.

o. Other Machinery and Equipment

This refers to other equipment not otherwise classified under the specific equipment accounts, the total balance of which was reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
State Universities and Colleges	2,107,656	22.65
Finance	1,580,974	16.99
Health	1,060,814	11.40
Agriculture	905,141	9.73
Education	671,719	7.22
Trade and Industry	508,650	5.47
National Defense	438,977	4.72
Transportation	434,238	4.67
Interior and Local Government	280,779	3.02
Science and Technology	276,993	2.98
Sub-total	8,265,942	88.82
Other Departments/Offices	1,040,907	11.18
Total	<u>9,306,848</u>	<u>100.00</u>

A total of P677.34 million or 32.14 percent of the balance reported by SUCs is composed of the following: UPS – P390.42 million, Don Honorio Ventura

Technological State University – P111.17 million, West Visayas State University – P66.42 million, Technological University of the Philippines System – P57.51 million and Nueva Vizcaya State University – P51.83 million.

12.6. *Transportation Equipment*

This group of accounts consists of the following:

Particulars	2019				2018 (Restated)
	Gross Amount	Accumulated Depreciation	Accumulated Impairment Losses	Carrying Amount	Carrying Amount
	<i>(in thousand pesos)</i>				
Motor Vehicles	46,364,127	26,117,413	5,342	20,241,372	20,879,936
Aircrafts and Aircrafts Ground Equipment	49,708,884	17,017,890	-	32,690,994	30,104,471
Watercrafts	35,612,237	19,118,332	2,731	16,491,175	15,703,900
Other Transportation Equipment	<u>495,196</u>	<u>185,809</u>	<u>-</u>	<u>309,388</u>	<u>231,788</u>
Total	<u>132,180,445</u>	<u>62,439,443</u>	<u>8,073</u>	<u>69,732,929</u>	<u>66,920,095</u>

a. **Motor Vehicles**

The balance of this account was reported by the following departments/offices:

Department/Office	Amount <i>(in thousand pesos)</i>	Percent to Total
National Defense	4,828,519	23.85
Interior and Local Government	4,729,835	23.37
Public Works and Highways	2,409,479	11.90
State Universities and Colleges	1,080,822	5.34
Agriculture	1,070,427	5.29
Environment and Natural Resources	924,711	4.57
Transportation	754,493	3.73
Health	612,931	3.03
Education	413,511	2.04
Social Welfare and Development	<u>349,586</u>	<u>1.73</u>
Sub-total	17,174,313	84.85
Other Departments/Offices	<u>3,067,059</u>	<u>15.15</u>
Total	<u>20,241,372</u>	<u>100.00</u>

The GHQ–AFP, PA, and PN reported P2.52 billion, P1.35 billion, and P525.85 million, respectively, or a total of P4.39 billion representing 90.99 percent of the total for the DND.

Of the total for DILG, the PNP reported P4.45 billion or 94.17 percent which pertains to motor vehicles acquired by the PNP for police operations such as service vehicles, patrol cars, patrol jeeps, vans and motorcycles.

b. Aircrafts and Aircrafts Ground Equipment

The balance of this account was reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
National Defense	32,207,746	98.52
Interior and Local Government	385,246	1.18
Transportation	48,580	0.15
Environment and Natural Resources	45,148	0.14
State Universities and Colleges	2,727	0.01
Agriculture	1,548	0.00
Total	<u>32,690,994</u>	<u>100.00</u>

The balance reported by the DND is composed of the following: GHQ-AFP – P29.63 billion or 91.98 percent, PN – P1.32 billion or 4.10 percent, PAF – P1.26 billion or 3.91 percent, and PA – P927 thousand.

The amount for DILG was reported solely by the PNP which pertains to the cost of helicopters and aircraft ground equipment for PNP Special Action Force and PNP Aviation Security Group.

c. Watercrafts

The departments/offices which reported balance of this account are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
National Defense	7,219,515	43.78
Transportation	6,209,234	37.65
Public Works and Highways	1,298,514	7.87
Agriculture	738,203	4.48
Interior and Local Government	549,790	3.33
Environment and Natural Resources	364,757	2.21
State Universities and Colleges	55,066	0.33
Metropolitan Manila Development Authority	25,180	0.15
Labor and Employment	15,242	0.09
Health	11,010	0.07
Sub-total	<u>16,486,512</u>	<u>99.97</u>
Other Departments/Offices	4,663	0.03
Total	<u>16,491,175</u>	<u>100.00</u>

The balance for the DND was reported primarily by the GHQ-AFP of P5.07 billion or 70.20 percent and the PN of P2.03 billion or 28.07 percent.

The PCG reported solely the amount for DOTr which pertains to search and rescue vessels, small crafts, rubber boats, aluminum boats, etc.

d. Other Transportation Equipment

The departments/offices which contributed to the balance of this account are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
Interior and Local Government	153,332	49.56
Transportation	49,184	15.90
National Defense	43,975	14.21
Agriculture	19,927	6.44
Health	11,104	3.59
State Universities and Colleges	11,049	3.57
Public Works and Highways	8,111	2.62
Environment and Natural Resources	5,619	1.82
Social Welfare and Development	3,101	1.00
Metropolitan Manila Development Authority	<u>2,314</u>	<u>0.75</u>
Sub-total	307,717	99.46
Other Departments/Offices	<u>1,670</u>	<u>0.54</u>
Total	<u>309,388</u>	<u>100.00</u>

Under the DILG, the PNP and the PPSC reported the balances of P142.25 million or 92.77 percent and P11.09 million or 7.23 percent, respectively.

12.7. Furniture, Fixtures and Books

This group of accounts is composed of the following:

Particulars	2019				2018 (Restated)
	Gross Amount	Accumulated Depreciation	Accumulated Impairment Losses	Carrying Amount	Carrying Amount
	(in thousand pesos)				
Furniture and Fixtures	16,102,937	7,101,398	1,584	8,999,955	9,708,849
Books	<u>2,616,308</u>	<u>1,708,344</u>	<u>595</u>	<u>907,369</u>	<u>975,322</u>
Total	<u>18,719,245</u>	<u>8,809,742</u>	<u>2,178</u>	<u>9,907,325</u>	<u>10,684,171</u>

a. Furniture and Fixtures

The total of this account was reported by the following departments/ offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
Education	3,713,935	41.27
State Universities and Colleges	1,400,579	15.56
Public Works and Highways	531,176	5.90
Science and Technology	410,073	4.56
Agriculture	402,593	4.47
Finance	337,433	3.75
The Judiciary	320,723	3.56
Health	229,322	2.55
Environment and Natural Resources	193,897	2.15
Trade and Industry	<u>193,189</u>	<u>2.15</u>
Sub-total	7,732,919	85.92

Department/Office	Amount (in thousand pesos)	Percent to Total
Other Departments/Offices	<u>1,267,036</u>	<u>14.08</u>
Total	<u>8,999,955</u>	<u>100.00</u>

The DepEd – Proper reported of P3.57 billion or 96.01 percent of the total for DepEd.

b. Books

Below are the departments/offices with balances of this account.

Department/Office	Amount (in thousand pesos)	Percent to Total
State Universities and Colleges	566,904	62.48
Education	157,570	17.37
Interior and Local Government	57,578	6.35
Other Executive Offices	53,792	5.93
Science and Technology	13,375	1.47
Health	12,626	1.39
Bangsamoro Autonomous Region in Muslim Mindanao	10,368	1.14
The Judiciary	4,300	0.47
Labor and Employment	4,231	0.47
Trade and Industry	<u>4,057</u>	<u>0.45</u>
Sub-total	884,800	97.51
Other Departments/Offices	<u>22,569</u>	<u>2.49</u>
Total	<u>907,369</u>	<u>100.00</u>

The top five SUCs which reported P226.98 million or 40.04 percent of the total for SUCs are the UPS – P142.14 million, Negros Oriental State University – P27.82 million, Cagayan State University – P19.96 million, West Visayas State University – P19.51 million, and Batangas State University – P17.56 million.

12.8. Leased Assets

Leased Assets is a group of accounts used in the books of the lessee under a finance lease to recognize the value of an asset being leased. This group of accounts consist of the following:

Particulars	2019			2018 (Restated)
	Gross Amount	Accumulated Depreciation	Carrying Amount	Carrying Amount
	(in thousand pesos)			
Leased Assets, Land	974,276	-	974,276	886,067
Leased Assets, Buildings and Other Structures	1,222,103	340,879	881,224	875,746
Leased Assets, Machinery and Equipment	833,731	235,263	598,468	638,766
Leased Assets, Transportation Equipment	14,981	4,615	10,366	6,608
Other Leased Assets	<u>8,842</u>	<u>5,913</u>	<u>2,929</u>	<u>2,794</u>
Total	<u>3,053,933</u>	<u>586,670</u>	<u>2,467,263</u>	<u>2,409,982</u>

a. Leased Assets, Land

The balance of this account was reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
Foreign Affairs	485,423	49.82
Finance	299,849	30.78
Transportation	132,460	13.60
Labor and Employment	51,545	5.29
Health	<u>5,000</u>	<u>0.51</u>
Total	<u>974,276</u>	<u>100.00</u>

b. Leased Assets, Buildings and Other Structures

The total of this account was reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
Finance	586,722	66.58
Foreign Affairs	190,083	21.57
Transportation	76,258	8.65
Labor and Employment	<u>28,162</u>	<u>3.20</u>
Total	<u>881,224</u>	<u>100.00</u>

The DOF balance of P586.72 million, net of accumulated depreciation of P289.65 million, was reported solely by the BIR.

c. Leased Assets, Machinery and Equipment

The total of this account was reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
Health	583,861	97.56
Environment and Natural Resources	9,779	1.63
State Universities and Colleges	2,622	0.44
Trade and Industry	968	0.16
National Defense	521	0.09
Social Welfare and Development	398	0.07
Education	<u>319</u>	<u>0.05</u>
Total	<u>598,468</u>	<u>100.00</u>

The balance of DOH of P583.86 million, net of accumulated depreciation of P233.60 million, was reported solely by the DOH – Proper.

d. Leased Assets, Transportation Equipment

The balance of P10.37 million, net of accumulated depreciation of P4.61 million, was reported by the Presidential Management Staff.

e. Other Leased Assets

This was reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
Foreign Affairs	2,030	69.31
State Universities and Colleges	497	16.98
Trade and Industry	369	12.61
Science and Technology	32	1.10
Total	<u>2,929</u>	<u>100.00</u>

12.9. Leased Assets Improvements

Leased Assets Improvements refers to the cost of improvements and alterations made on assets under operating lease which are used for government operations or for commercial and/or income generating purposes. These group of accounts consists of the following:

Particulars	2019				2018 (Restated)
	Gross Amount	Accumulated Depreciation	Accumulated Impairment Losses	Carrying Amount	Carrying Amount
	(in thousand pesos)				
Leased Assets Improvements, Land	31,591	15,087	-	16,504	17,298
Leased Assets Improvements, Buildings	630,685	327,451	-	303,234	456,686
Other Leased Assets Improvements	<u>40,017</u>	<u>24,941</u>	=	<u>15,076</u>	<u>11,865</u>
Total	<u>702,292</u>	<u>367,479</u>	=	<u>334,814</u>	<u>485,848</u>

a. Leased Assets Improvements, Land

The total of this account was reported by the following departments/ offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
Trade and Industry	8,552	51.82
Agriculture	7,557	45.79
State Universities and Colleges	242	1.47
Environment and Natural Resources	115	0.69
Labor and Employment	24	0.15
National Economic Development Authority	13	0.08
Total	<u>16,504</u>	<u>100.00</u>

The balance of DTI was reported by the DTI-Proper, while the DA of P7.56 million was contributed by the following: BFAR – P7.11 million, PhilMECH – P425 thousand and PhilFIDA – P18 thousand.

b. Leased Assets Improvements, Buildings

The balance was reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
Foreign Affairs	88,859	29.30
Other Executive Offices	60,242	19.87
Commission on Human Rights	37,551	12.38
Commission on Elections	27,839	9.18
Agriculture	24,241	7.99
National Economic Development Authority	14,910	4.92
Trade and Industry	11,131	3.67
Transportation	7,635	2.52
Labor and Employment	6,931	2.29
Congress of the Philippines	<u>6,447</u>	<u>2.13</u>
Sub-total	285,786	94.25
Other Departments/Offices	<u>17,448</u>	<u>5.75</u>
Total	<u>303,234</u>	<u>100.00</u>

c. Other Leased Assets Improvements

This was reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
Commission on Human Rights	7,392	49.03
Justice	3,935	26.10
State Universities and Colleges	1,230	8.16
National Economic Development Authority	1,122	7.44
Foreign Affairs	881	5.84
Budget and Management	277	1.84
Education	<u>239</u>	<u>1.58</u>
Total	<u>15,076</u>	<u>100.00</u>

The amount reported by Commission on Human Rights pertains to major improvements made to Forensic Center, General Administrative Office, and HR Education and Promotions Office. It also includes the garage roofing, SAAC Fire Protection System, modular office partitions and furniture, and water proofing of SAAC building which covers Phase 1 to Phase 3.

12.10. Heritage Assets

This group of PPE pertains to buildings such as museums, old churches, cathedrals and mosques no longer used for worship, works of arts and other archeological specimens, such as monuments and sculptures held and preserved by the government for cultural and historical significance. This is composed of the following:

Particulars	2019			2018 (Restated)
	Gross Amount	Accumulated Depreciation	Carrying Amount	Carrying Amount
	<i>(in thousand pesos)</i>			
Historical Buildings	566,887	-	566,887	508,976
Works of Arts and Archeological Specimens	533,107	1,533	531,574	530,454
Other Heritage Assets	<u>581,964</u>	<u>248,504</u>	<u>333,460</u>	<u>191,095</u>
Total	<u>1,681,959</u>	<u>250,037</u>	<u>1,431,921</u>	<u>1,230,525</u>

a. Historical Buildings

This was reported by the OEO of P565.57 million or 99.77 percent, and DepEd of P1.31 million or 0.23 percent. Among the OEOs, the National Historical Commission of the Philippines and NCCA – Proper reported this asset account with P549.04 million or 97.08 percent and P16.53 million or 2.92 percent, respectively.

b. Works of Arts and Archeological Specimens

The departments/offices which reported balance of this account are as follows:

Department/Office	Amount <i>(in thousand pesos)</i>	Percent to Total
Education	287,414	54.07
State Universities and Colleges	130,627	24.57
Other Executive Offices	66,075	12.43
Tourism	39,225	7.38
Finance	2,992	0.56
Commission on Audit	2,613	0.49
Congress of the Philippines	<u>1,200</u>	<u>0.23</u>
Sub-total	530,146	99.73
Other Departments/Offices	<u>1,428</u>	<u>0.27</u>
Total	<u>531,574</u>	<u>100.00</u>

The NM reported the entire amount of Works of Arts and Archeological Specimens for DepEd.

c. Other Heritage Assets

The balance of Other Heritage Assets was reported by the following departments/offices:

Department/Office	Amount <i>(in thousand pesos)</i>	Percent to Total
Education	166,675	49.98
National Defense	157,385	47.20
Other Executive Offices	<u>9,400</u>	<u>2.82</u>
Total	<u>333,460</u>	<u>100.00</u>

The balance reported by DepEd was contributed by the NM with P150.18 million or 90.10 percent and DepEd – Proper with P16.50 million or 9.90 percent.

Among the agencies of the DND, the PAF reported the entire amount for the department. This includes environmental conservation areas and nature reserves, natural landmarks of historical interest, areas of land based on or concerned with events in history, and track of lands declared as public property by the NG with a view to its preservation and development for purposes of recreation and culture.

12.11. Service Concession-Tangible Assets

This refers to assets covered by service concession arrangements.

Particulars	2019				2018 (Restated)
	Gross Amount	Accumulated Depreciation	Accumulated Impairment Losses	Carrying Amount	Carrying Amount
	<i>(in thousand pesos)</i>				
Service Concession- Road Networks	47,627	3,664	-	43,963	-
Service Concession- Power Supply Systems	996	47	-	949	-
Other Service Concession Assets	<u>19,421,688</u>	<u>8,446,159</u>	=	<u>10,975,528</u>	<u>11,700,372</u>
Total	<u>19,470,311</u>	<u>8,449,871</u>	=	<u>11,020,440</u>	<u>11,700,372</u>

a. Service Concession-Road Networks

The entire account was reported by DepEd – Proper.

b. Service Concession-Power Supply Systems

Among the SUCs, the Aklan State University and University of Antique reported reported an equal amount of P474 thousand.

c. Other Service Concession Assets

This consists of Other Service Concession Assets of P10.98 billion, net of Accumulated Depreciation of P8.45 billion. This was reported by DepEd which pertains to the completed sub-projects under Public-Private Partnership for School Infrastructure Projects.

12.12. Other Property, Plant and Equipment

Details of this group of accounts are as follows:

Particulars	2019				2018 (Restated)
	Gross Amount	Accumulated Depreciation	Accumulated Impairment Losses	Carrying Amount	Carrying Amount
	<i>(in thousand pesos)</i>				
Work/Zoo Animals	350,370	17,082	6,508	327,190	270,022
Other Property, Plant and Equipment	<u>8,187,928</u>	<u>4,067,759</u>	<u>59,092</u>	<u>4,061,078</u>	<u>3,526,475</u>
Total	<u>8,538,708</u>	<u>4,084,841</u>	<u>65,600</u>	<u>4,388,268</u>	<u>3,796,496</u>

a. Work/Zoo Animals

The departments/offices with balances of this account are as follows:

Department/Office	Amount <i>(in thousand pesos)</i>	Percent to Total
Interior and Local Government	123,565	37.77
Transportation	108,253	33.09
Other Executive Offices	44,009	13.45
National Defense	29,869	9.13
Agriculture	12,523	3.83
State Universities and Colleges	6,058	1.85
Trade and Industry	1,440	0.44
Environment and Natural Resources	927	0.28
Education	493	0.15
Congress of the Philippines	<u>54</u>	<u>0.02</u>
Total	<u>327,190</u>	<u>100.00</u>

The PCG reported the entire amount for the DOTr which pertains to the appraised value of K-9 dogs, while that of the DILG was reported by the PNP.

b. Other Property, Plant and Equipment

The departments/offices with balances of this account are as follows:

Department/Office	Amount <i>(in thousand pesos)</i>	Percent to Total
State Universities and Colleges	902,651	22.23
Health	552,825	13.61
Science and Technology	389,226	9.58
Environment and Natural Resources	347,420	8.55
Transportation	262,498	6.46
Education	254,398	6.26
Trade and Industry	184,715	4.55
National Defense	173,068	4.26
Commission on Elections	159,774	3.93
Other Executive Offices	<u>148,863</u>	<u>3.67</u>
Sub-total	<u>3,375,438</u>	<u>83.12</u>
Other Departments/Offices	<u>685,640</u>	<u>16.88</u>
Total	<u>4,061,078</u>	<u>100.00</u>

Among the 114 SUCs, the top five which reported this account are: Philippine Merchant Marine Academy – P251.82 million, UPS – P73.04

million, Technological University of the Philippines System – P65.58 million, Jose Rizal Memorial State University – P51.03 million and Laguna State Polytechnic University – P33.69 million.

12.13. *Construction in Progress*

Construction in Progress represents the ongoing projects undertaken by various government agencies which include the contract cost and the related expenses. This account will be reclassified to the appropriate asset account upon completion of the project. This is composed of the following:

Particulars	2019	2018 (Restated)
	(in thousand pesos)	
Construction in Progress-Land Improvements	26,601,912	23,645,661
Construction in Progress-Infrastructure Assets	1,505,196,846	1,374,477,491
Construction in Progress-Buildings and Other Structures	162,257,308	127,739,475
Construction in Progress-Leased Assets	-	1,793
Construction in Progress-Leased Assets Improvements	41,353	15,252
Total	<u>1,694,097,420</u>	<u>1,525,879,672</u>

a. **Construction in Progress-Land Improvements**

The departments/offices with balances of Construction in Progress-Land Improvements are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
Environment and Natural Resources	25,461,050	95.71
State Universities and Colleges	580,643	2.18
National Defense	136,777	0.51
Science and Technology	118,335	0.44
Interior and Local Government	94,591	0.36
Education	76,620	0.29
Agriculture	67,977	0.26
Tourism	21,052	0.08
Commission on Audit	16,689	0.06
Health	14,786	0.06
Sub-total	26,588,521	99.95
Other Departments/Offices	13,391	0.05
Total	<u>26,601,912</u>	<u>100.00</u>

The amount for the DENR was reported by the DENR – Proper which pertains to the construction of clonal nursery and working shed, activity for vegetative measures under Quinali watershed rehabilitation projects, activities of protection and maintenance of established plantation projects for transfer after the third year to Land Improvements, mechanized and modernized forest nursery, Seedling Production Project for PAMANA projects. It also pertained to the construction for the Catanduanes Mayngaway Upland and San Ramon Calanaga Agro Forestry Project of CBFN Forestry Projects.

b. Construction in Progress-Infrastructure Assets

The departments/offices with balances of this account are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
Public Works and Highways	1,423,588,635	94.58
Transportation	39,987,495	2.66
Agriculture	14,470,871	0.96
National Defense	10,448,206	0.69
Bangsamoro Autonomous Region in Muslim Mindanao	7,409,359	0.49
Agrarian Reform	3,655,045	0.24
Health	1,651,050	0.11
Environment and Natural Resources	1,144,443	0.08
State Universities and Colleges	900,394	0.06
Metropolitan Manila Development Authority	739,165	0.05
Sub-total	1,503,994,662	99.92
Other Departments/Offices	1,202,184	0.08
Total	<u>1,505,196,846</u>	<u>100.00</u>

The various ongoing infrastructure projects for DOTr were reported by the DOTr – Proper and PCG.

c. Construction in Progress-Buildings and Other Structures

The departments/offices reported balances as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
Public Works and Highways	53,639,416	33.06
Health	25,431,927	15.67
Education	24,558,379	15.14
State Universities and Colleges	20,004,536	12.33
Bangsamoro Autonomous Region in Muslim Mindanao	5,692,937	3.51
Interior and Local Government	4,901,812	3.02
Agriculture	4,393,276	2.71
National Defense	4,131,764	2.55
Other Executive Offices	3,622,955	2.23
Foreign Affairs	3,173,384	1.96
Sub-total	149,550,387	92.17
Other Departments/Offices	12,706,921	7.83
Total	<u>162,257,308</u>	<u>100.00</u>

d. Construction in Progress-Leased Assets Improvements

This account was reported by five departments/offices, as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
Commission on Human Rights	18,273	44.19
National Economic Development Authority	10,568	25.56
Agriculture	6,260	15.14
Environment and Natural Resources	5,689	13.76

Department/Office	Amount (in thousand pesos)	Percent to Total
Trade and Industry	564	1.36
Total	<u>41,353</u>	<u>100.00</u>

The balance of NEDA pertains to the Philippine Statistics Authority (PSA).

13. BIOLOGICAL ASSETS

This group of accounts is composed of the following:

Particulars	2019			20178(Res tated)
	Gross Amount	Accumulated Impairment Losses	Carrying Amount	Carrying Amount
	(in thousand pesos)			
Bearer Biological Assets	634,699	829	633,870	601,534
Consumable Biological Assets	<u>1,231,271</u>	-	<u>1,231,271</u>	<u>1,083,516</u>
Total	<u>1,865,970</u>	<u>829</u>	<u>1,865,141</u>	<u>1,685,050</u>

13.1. Bearer Biological Assets

The following comprise this account:

Particulars	2019			2018 (Restated)
	Gross Amount	Accumulated Impairment Losses	Carrying Amount	Carrying Amount
	(in thousand pesos)			
Breeding Stocks	406,225	161	406,064	378,623
Livestock	112,274	5	112,268	83,737
Trees, Plants and Crops	103,229	663	102,566	128,827
Aquaculture	8,858	-	8,858	8,525
Other Bearer Biological Assets	<u>4,114</u>	-	<u>4,114</u>	<u>1,822</u>
Total	<u>634,699</u>	<u>829</u>	<u>633,870</u>	<u>601,534</u>

a. Breeding Stocks

The departments/offices with balance of this account are shown below.

Department/Office	Amount (in thousand pesos)	Percent to Total
Agriculture	351,358	86.53
State Universities and Colleges	45,748	11.27
Justice	4,202	1.03
Trade and Industry	3,414	0.84
Education	746	0.18
Health	260	0.06
Environment and Natural Resources	182	0.04
Social Welfare and Development	<u>154</u>	<u>0.04</u>
Total	<u>406,064</u>	<u>100.00</u>

The DA reported balance of P351.36 million pertains to DA – Proper – P 258.88 million or 73.68 percent, Philippine Carabao Center (PCC) – P88.31 million or 25.13 percent, and BFAR P4.17 million or 1.19 percent.

b. Livestock

This account was reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
Agriculture	84,213	75.01
State Universities and Colleges	26,350	23.47
Education	1,227	1.09
Trade and Industry	392	0.35
Agrarian Reform	86	0.08
Total	<u>112,268</u>	<u>100.00</u>

c. Trees, Plants and Crops

The departments/offices with balances of this account are as follows:

Department/Office	Amount. (in thousand pesos)	Percent to Total
State Universities and Colleges	72,228	70.42
Agrarian Reform	27,516	26.83
National Defense	1,695	1.65
Trade and Industry	599	0.58
Agriculture	516	0.50
Justice	13	0.01
Total	<u>102,566</u>	<u>100.00</u>

The balance for SUCs pertains to accounts of 22 SUCs.

d. Aquaculture

This was reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
Agriculture	3,837	43.32
State Universities and Colleges	3,578	40.39
Environment and Natural Resources	1,383	15.61
Education	60	0.68
Total	<u>8,558</u>	<u>100.00</u>

The DA reported balance pertains to the fishes and other marine species of BFAR – Regional Field Office No. XI.

e. Other Bearer Biological Assets

Total Other Bearer Biological Assets was reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
State Universities and Colleges	3,664	89.07
Agriculture	398	9.67
Trade and Industry	<u>52</u>	<u>1.26</u>
Total	<u>4,114</u>	<u>100.00</u>

For SUCs, this account was reported by 8 universities and colleges.

13.2. Consumable Biological Assets

This group of accounts consists of the following:

Particulars	2019			2018 (Restated)
	Gross Amount	Accumulated Impairment Losses	Carrying Amount	Carrying Amount
	(in thousand pesos)			
Livestock Held for Consumption/ Sale/Distribution	1,184,393	-	1,184,393	1,052,896
Trees, Plants and Crops Held for Consumption/Sale/Distribution	42,985	-	42,985	26,394
Agricultural Produce Held for Consumption/Sale/Distribution	3,048	-	3,048	3,092
Aquaculture	680	-	680	456
Other Consumable Biological Assets	<u>165</u>	<u>-</u>	<u>165</u>	<u>679</u>
Total	<u>1,231,271</u>	<u>=</u>	<u>1,231,271</u>	<u>1,083,516</u>

a. Livestock Held for Consumption/ Sale/Distribution

The departments/offices with balances of this account are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
Agriculture	1,162,656	98.16
State Universities and Colleges	21,361	1.80
Trade and Industry	250	0.02
Education	121	0.01
Social Welfare and Development	<u>4</u>	<u>0.00</u>
Total	<u>1,184,393</u>	<u>100.00</u>

The balance reported by the DA was contributed by the DA – Proper and PCC of P1.10 billion or 94.38 percent and P65.30 million or 5.62 percent, respectively.

b. Trees, Plants and Crops Held for Consumption/Sale/Distribution

The departments/offices with balances of this account are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
State Universities and Colleges	33,234	77.31
Agrarian Reform	7,197	16.74
Agriculture	<u>2,555</u>	<u>5.94</u>
Total	<u>42,985</u>	<u>100.00</u>

c. Agricultural Produce Held for Consumption/Sale/Distribution

The departments/offices with balances of this account are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
State Universities and Colleges	1,979	64.94
Agriculture	679	22.28
Environment and Natural Resources	262	8.59
Trade and Industry	<u>128</u>	<u>4.19</u>
Total	<u>3,048</u>	<u>100.00</u>

d. Aquaculture

The departments/offices with balances of this account are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
Agriculture	588	86.52
Education	53	7.72
State Universities and Colleges	<u>39</u>	<u>5.76</u>
Total	<u>680</u>	<u>100.00</u>

BFAR Regional Field Office No. V reported the balance for DA.

e. Other Consumable Biological Assets

The balance of this account amounting to P165 thousand was reported by the SUCs of P151 thousand and DTI of P14 thousand.

14. INTANGIBLE ASSETS

This group of accounts is composed of the following:

Particulars	2019				2018 (Restated)
	Gross Amount	Accumulated Amortization	Accumulated Impairment Losses	Carrying Amount	Carrying Amount
	<i>(in thousand pesos)</i>				
Intangible Assets	14,267,997	4,368,617	270,200	9,629,179	6,234,279
Development in Progress	<u>548,111</u>	<u>=</u>	<u>=</u>	<u>548,111</u>	<u>368,082</u>
Total	<u>14,816,108</u>	<u>4,368,617</u>	<u>270,200</u>	<u>10,177,291</u>	<u>6,596,361</u>

14.1. Intangible Assets

This group of accounts consists of the following:

Particulars	2019				2018 (Restated)
	Gross Amount	Accumulated Amortization	Accumulated Impairment Losses	Carrying Amount	Carrying Amount
	<i>(in thousand pesos)</i>				
Patents/Copyrights	8,189	23	-	8,166	92,969
Computer Software	10,210,572	4,131,352	270,200	5,809,021	5,136,035
Websites	2,355	1,095	-	1,261	1,693
Other Intangible Assets	<u>4,046,880</u>	<u>236,149</u>	<u>=</u>	<u>3,810,731</u>	<u>1,003,582</u>
Total	<u>14,267,997</u>	<u>4,368,617</u>	<u>270,200</u>	<u>9,629,179</u>	<u>6,234,279</u>

a. Patents/Copyrights

The departments/offices reported Patents/Copyrights, as follows:

Department/Office	Amount <i>(in thousand pesos)</i>	Percent to Total
Education	6,787	83.11
State Universities and Colleges	<u>1,379</u>	<u>16.89</u>
Total	<u>8,166</u>	<u>100.00</u>

The DepEd – Proper reported balance pertain to copyright authorization fee of Horizon: Music and Arts appreciation for young Filipinos from grade 10 learners materials and teachers guide paid to Tawid Publication.

b. Computer Software

The departments/offices which reported balances of this account are as follows:

Department/Office	Amount <i>(in thousand pesos)</i>	Percent to Total
Education	1,168,473	20.11
Information and Communications Technology	773,574	13.32
Transportation	764,085	13.15

Department/Office	Amount (in thousand pesos)	Percent to Total
The Judiciary	624,647	10.75
Public Works and Highways	468,427	8.06
Environment and Natural Resources	432,157	7.44
Finance	227,152	3.91
Trade and Industry	205,164	3.53
State Universities and Colleges	168,781	2.91
Agriculture	<u>168,236</u>	<u>2.90</u>
Sub-total	5,000,697	86.09
Other Departments/Offices	<u>808,324</u>	<u>13.91</u>
Total	<u>5,809,021</u>	<u>100.00</u>

The amount of DepEd was reported by the DepEd – Proper, NM, and the National Book Development Board of P1.17 billion or 99.75 percent, P2.53 million or 0.22 percent, and P399 thousand or 0.03 percent, respectively.

c. Websites

Only four departments/offices reported Websites, as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
Finance	795	63.07
State Universities and Colleges	266	21.07
Trade and Industry	150	11.90
Health	<u>50</u>	<u>3.97</u>
Total	<u>1,261</u>	<u>100.00</u>

d. Other Intangible Assets

Total Other Intangible Assets was reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
Finance	2,794,562	73.33
Environment and Natural Resources	955,516	25.07
Other Executive Offices	22,612	0.59
Labor and Employment	17,956	0.47
Education	7,803	0.20
Science and Technology	5,216	0.14
Agriculture	4,655	0.12
State Universities and Colleges	1,732	0.05
Interior and Local Government	557	0.01
Health	<u>115</u>	<u>0.00</u>
Sub-total	3,810,725	100.00
Other Departments/Offices	<u>6</u>	<u>0.00</u>
Total	<u>3,810,731</u>	<u>100.00</u>

The balance of Other Intangible Assets of DOF pertains to the HGC/PHILGUARANTEE's transferred PNR Air Rights to the NG.

The DENR balance which was reported by the National Mapping and

Resource Information Authority pertains to the cost of airborne Interferometric Synthetic Aperture Radar data for the production of nationwide Digital Elevation Model and Ortho-Radar Imagery.

14.2. *Development in Progress*

This group of accounts consists of the following:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Development in Progress-Patents/Copyrights	125,877	48,160
Development in Progress-Computer Software	382,925	287,797
Development in Progress-Websites	285	75
Development in Progress-Other Intangible Assets	<u>39,024</u>	<u>26,050</u>
Total	<u>548,111</u>	<u>362,082</u>

a. **Development in Progress-Patents/Copyrights**

This was reported by the DOST – Proper and MIRDC at the amount of P125.88 million pertaining to the costs incurred during the development phase of the prototype transportation equipment (trainset).

b. **Development in Progress-Computer Software**

The departments/offices which reported balances of this account are as follows:

Department/Office	Amount <i>(in thousand pesos)</i>	Percent to Total
Budget and Management	100,000	26.11
Metropolitan Manila Development Authority	79,187	20.68
Finance	73,358	19.16
Trade and Industry	32,295	8.43
State Universities and Colleges	22,127	5.78
Other Executive Offices	20,806	5.43
Labor and Employment	16,943	4.42
Information and Communications Technology	11,457	2.99
National Economic Development Authority	9,245	2.41
Energy	<u>6,171</u>	<u>1.61</u>
Sub-Total	371,590	97.04
Other Departments/Offices	<u>11,335</u>	<u>2.96</u>
Total	<u>382,925</u>	<u>100.00</u>

The balance of the DBM was reported by the DBM–Proper. The balance for the DOF was recognized by the BTr which pertains to the on-going project for the modernization of Auction and Registry Systems for the Government Securities of the BTr.

c. **Development in Progress-Websites**

This account amounting to P285 thousand was reported by DOLE –

National Labor Relations Commission.

d. Development in Progress-Other Intangible Assets

Department/Office	Amount (in thousand pesos)	Percent to Total
Finance	26,050	66.75
Other Executive Offices	<u>12,974</u>	<u>33.25</u>
Total	<u>39,024</u>	<u>100.00</u>

The DOF reported balance pertains to the on-going project of the BTr for the development and implementation of the new national government accounting system and the enhancement and implementation of the national government collection system and the national government disbursement system.

15. OTHER NON-CURRENT ASSETS

This group of accounts reported by the NG consists of the following:

Particulars	2019	2018 (Restated)
	(in thousand pesos)	
Prepayments	6,189,883	6,992,077
Deposits	25,608,225	16,017,804
Other Assets	<u>103,720,919</u>	<u>103,348,855</u>
Total	<u>135,519,027</u>	<u>126,358,736</u>

15.1. Prepayments

The total Prepayments of P6.19 billion is broken down as follows:

Particulars	2019	2018 (Restated)
	(in thousand pesos)	
Advances to Contractors	5,774,697	5,969,047
Prepaid Rent	70,674	76,762
Prepaid Registration	321	311
Prepaid Insurance	15,218	15,993
Other Prepayments	<u>328,974</u>	<u>929,964</u>
Total	<u>6,189,883</u>	<u>6,992,077</u>

a. Advances to Contractors

The departments/offices with balances of this account are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
National Defense	4,563,490	79.03
National Economic Development Authority	298,454	5.17
Public Works and Highways	262,739	4.55
Transportation	219,227	3.80
State Universities and Colleges	182,017	3.15
Finance	78,524	1.36

Department/Office	Amount (in thousand pesos)	Percent to Total
Social Welfare and Development	49,809	0.86
Education	44,581	0.77
Environment and Natural Resources	30,538	0.53
Other Executive Offices	<u>19,327</u>	<u>0.33</u>
Sub-total	5,748,706	99.55
Other Departments/Offices	<u>25,991</u>	<u>0.45</u>
Total	<u>5,774,697</u>	<u>100.00</u>

For the DND, the GHQ–AFP, PA, and PN reported P4.49 billion or 98.40 percent, P55.55 million or 1.22 percent, and P17.69 million or 0.39 percent, respectively.

b. Prepaid Rent

This was reported by ten departments/offices, as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
National Economic Development Authority	33,740	47.74
Trade and Industry	15,387	21.77
Other Executive Offices	7,820	11.06
State Universities and Colleges	7,519	10.64
Office of the Vice President	2,964	4.19
Social Welfare and Development	1,872	2.65
Transportation	880	1.25
Commission on Human Rights	297	0.42
Finance	112	0.16
Justice	<u>83</u>	<u>0.12</u>
Total	<u>70,674</u>	<u>100.00</u>

The total Prepaid Rent of NEDA reported by the PSA amounting to P33.30 million or 98.69 percent pertains to deposits/advances for office space rental in accordance with the lease contracts, broken down as follows:

Particulars	Address	Amount (in thousand pesos)
Eton Properties Philippines, Inc.	16 th and 17 th Floors, Three Cyberpod Centris-North Tower, corner EDSA and Quezon Ave.	25,382
Vibal Publishing House	CRD-Quezon Ave.	4,083
Adriano Laquindanum	CRD Warehouse	510
Jacala Metal Works Corp.	CRD Warehouse	576
SCD Space Rental	Storage and Laboratory testing of registration kits for PhilSys	<u>2,745</u>
Total		<u>33,296</u>

c. Prepaid Registration

The balance of this account was reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
National Economic Development Authority	291	90.69
Social Welfare and Development	13	4.06
Trade and Industry	12	3.87
Health	<u>4</u>	<u>1.38</u>
Total	<u>321</u>	<u>100.00</u>

The total Prepaid Registration of NEDA was reported by the PSA which pertains to prepayments to Land Transportation Office (LTO) for registration of former Bureau of Agricultural Statistics vehicles and motorcycles.

d. Prepaid Insurance

The departments/offices which reported balances of this account are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
Social Welfare and Development	6,342	41.68
State Universities and Colleges	6,240	41.00
Environment and Natural Resources	<u>1,482</u>	<u>9.74</u>
Sub-Total	14,064	92.42
Other Departments/Offices	<u>1,154</u>	<u>7.58</u>
Total	<u>15,218</u>	<u>100.00</u>

The balance for the DSWD was reported by the DSWD–Proper.

Among the 114 SUCs, only 3 reported this account as follows: Visayas State University – P4.58 million or 73.41 percent, Central Bicol State University of Agriculture – P1.34 million or 21.49 percent, and Mindanao State University System – P318 thousand or 5.10 percent.

e. Other Prepayments

The departments/offices which reported balances of this account are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
National Defense	278,551	84.67
Finance	27,103	8.24
Education	6,988	2.12
Social Welfare and Development	4,438	1.35
Interior and Local Government	3,716	1.13
Health	2,565	0.78

Department/Office	Amount (in thousand pesos)	Percent to Total
Public Works and Highways	2,046	0.62
State Universities and Colleges	1,763	0.54
Science and Technology	772	0.23
Congress of the Philippines	<u>632</u>	<u>0.19</u>
Sub-total	328,573	99.88
Other Departments/Offices	<u>401</u>	<u>0.12</u>
Total	<u>328,974</u>	<u>100.00</u>

The balance for DND was reported by the GHQ–AFP which pertains to payments made to PETRON Corporation to guaranty the delivery of petroleum, oil and lubricants products for ready use of administrative and military operations of the AFP.

15.2. Deposits

This group of accounts includes the following:

Particulars	2019	2018 (Restated)
	(in thousand pesos)	
Deposit on Letters of Credit	21,015,265	10,955,484
Guaranty Deposits	4,377,507	4,858,242
Other Deposits	<u>215,453</u>	<u>204,078</u>
Total	<u>25,608,225</u>	<u>16,017,804</u>

a. Deposit on Letters of Credit

The departments/offices which reported this account are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
National Defense	13,728,996	65.33
Interior and Local Government	5,396,115	25.68
Transportation	1,707,613	8.13
Science and Technology	182,340	0.87
Environment and Natural Resources	<u>200</u>	<u>0.00</u>
Total	<u>21,015,265</u>	<u>100.00</u>

The GHQ–AFP reported P13.62 billion or 99.19 percent of the account Deposit on Letters of Credit representing deposits with AGDBs for the purchase of firearms, ammunitions, vehicular and communication requirements of the AFP contracted with foreign suppliers and the cost of freight forwarding.

The PNP reported the amount for DILG which represents marginal deposits made with AGDB in favor of local/foreign suppliers through their local representatives. These deposits are intended for procurement of various military and police equipment, communication equipment and transportation equipment.

b. Guaranty Deposits

This represents deposits of NGAs to suppliers to secure or guarantee performance of services or delivery of supplies contracted and/or the deposits with AGDBs to secure or guaranty the compliance with the terms of agreement. The departments/offices which reported balances of this account are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
National Defense	4,042,223	92.34
Agriculture	109,034	2.49
Trade and Industry	101,023	2.31
Finance	29,718	0.68
State Universities and Colleges	24,284	0.55
Other Executive Offices	17,414	0.40
Public Works and Highways	10,128	0.23
Social Welfare and Development	9,720	0.22
Transportation	6,534	0.15
Information and Communications Technology	4,423	0.10
Sub-Total	4,354,501	99.47
Other Departments/Offices	23,006	0.53
Total	<u>4,377,507</u>	<u>100.00</u>

The GHQ–AFP reported P4.04 billion or 99.98 percent of the total for DND which represents deposits to secure or guarantee the compliance of certain requirements for the delivery of contracted services and/or logistical needs of the AFP.

c. Other Deposits

The departments/offices which reported Other Deposits are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
Tourism	186,930	86.76
National Economic Development Authority	3,911	5.23
National Defense	2,880	3.80
Agriculture	2,211	0.91
Transportation	1,482	0.82
Social Welfare and Development	1,006	0.67
Sub-Total	211,556	98.19
Other Departments/Offices	3,897	1.81
Total	<u>215,453</u>	<u>100.00</u>

The Tourism Promotions Board (TPB) reported the balance for DOT.

15.3. Other Assets

This group of accounts includes the following:

Particulars	2019			2018 (Restated)
	Gross Amount	Accumulated Impairment Losses	Carrying Amount	Percent to Total
	<i>(in thousand pesos)</i>			
Acquired Assets	67,920,641	-	67,920,641	68,685,325
Foreclosed Property/Assets	8,145	-	8,145	8,145
Forfeited Property/Assets	146,312	-	146,312	142,716
Confiscated Property/Assets	1,541,139	333	1,540,806	1,503,259
Abandoned/Surrendered Property/ Assets	15,703,123	-	15,703,123	14,818,992
Other Assets	<u>18,439,604</u>	<u>37,313</u>	<u>18,401,892</u>	<u>18,190,417</u>
Total	<u>103,758,964</u>	<u>38,046</u>	<u>103,720,919</u>	<u>103,348,855</u>

a. Acquired Assets

Of the P67.92 billion total Acquired Assets, the DOF – BTr reported P67.90 billion or 99.97 percent, with details as follows:

Particulars	Amount (in thousand pesos)
1. Part of the transferred assets under Proclamation No. 50 wherein disposition and sale are being handled by PMO and National Power Corporation (NAPOCOR), which were reclassified from Other PPE account. These assets are not restated in their realizable value since it is the PMO and NAPOCOR which have direct knowledge of the assets. BTr had already requested the PMO for updated listings of the remaining assets for reconciliation with NG's books	56,347,611
2. Real and other properties obtained and transferred by the CB-BOL to the ROP through the BTr as partial settlement of the liability of CB-BOL to the NG	4,337,679
3. Part of the transferred assets from DBP, PNB and Philippine Guarantee and Investment Corporation in the form of financial assets	4,629,764
4. Equity in the PNCC transferred by GFIs to NG	1,262,561
5. NG holdings in the capital stock of Philippine Air Lines pursuant to Administrative Order No. 242 dated October 21, 1991 and Proclamation No. 50 dated December 8, 1986	824,250
6. ROPAs transferred by Al-Amanah Islamic Investment Bank of the Philippines to NG in exchange for a corresponding reduction in NG deposits	350,958
7. Value of real property known as Boracay Mansion per COA's appraisal as of March 14, 2008 which was ordered forfeited in favor of the Government by the Sandiganbayan in its Decision dated September 12, 2007	142,918
8. Nominal value of P1.00 of National Development Company (NDC)'s shares of stocks in FILSYN which was transferred to the NG pursuant to Settlement Agreement dated December 30, 2003 between NDC and NG/PMO	0
Total	<u>67,895,742</u>

b. Foreclosed Property/Assets

Of the total Foreclosed Property/Assets, only the BTr of DOF reported this account amounting to P8.14 million which pertains to ROPA net of corresponding accumulated depreciation and allowance for probable losses in settlement of loans funded by the ARF.

c. Forfeited Property/Assets

The total Forfeited Property/Assets pertained to the following property forfeited by the BIR as payment of tax debts:

Particulars	Amount (in thousand pesos)
Land	129,765
Other Structures	75
Office Equipment	5,401
Other Property, Plant and Equipment	13
Shares of Stock/Stock Certificates	<u>11,056</u>
Total	<u>146,311</u>

d. Confiscated Property/Assets

The confiscated property/assets for which ownership has been finally decided in favor of the government are reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
Justice	1,030,010	66.85
Environment and Natural Resources	252,753	16.40
Finance	236,103	15.32
Other Executive Offices	20,023	1.30
Information and Communications Technology	1,382	0.09
Trade and Industry	403	0.03
Agriculture	<u>131</u>	<u>0.01</u>
Total	<u>1,540,806</u>	<u>100.00</u>

The balance for DOJ pertained to the jewelry collections that were confiscated/ surrendered to PCGG. The amount used in recognizing these assets in the books of PCGG was based on Sotheby's appraisal in March 2003.

The DENR-Propert reported the entire amount for DENR which includes the value of confiscated/seized forest products, conveyance tools, compliments and equipment decided by court to be in favor of the government.

The BOC reported the entire amount for DOF.

e. Abandoned/Surrendered Property/Assets

This was mainly reported by the DOJ – PCGG at P15.70 billion which pertains to assets and properties voluntarily surrendered, assigned, ceded, waived as ill-gotten wealth, through settlement or after judicial determination.

f. Other Assets

The departments/offices with balances of Other Assets account are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
Finance	6,238,913	33.90
Agriculture	2,876,768	15.63
State Universities and Colleges	1,627,439	8.84
Health	1,361,789	7.40
Public Works and Highways	1,263,590	6.87
Trade and Industry	968,569	5.26
National Defense	954,478	5.19
Science and Technology	582,473	3.17
Justice	528,499	2.87
Environment and Natural Resources	464,803	2.53
Sub-total	16,867,322	91.66
Other Departments/Offices	1,534,570	8.34
Total	18,401,892	100.00

The BTr reported P3.99 billion or 63.94 percent of the DOF's Other Assets consisting of the following:

Particulars	Amount (in thousand pesos)
1. SMPC shares owned by the NDC which were transferred to the NG to settle NDC's obligations pursuant to MOA dated December 18, 2015 amongst DOF, BTr, PMO and NDC	3,930,363
2. Other Bonds	54,994
3. Appraised value as of November 10, 2005 of diamonds in the Treasury vault deposited by various government agencies which were escheated in favor of the ROP per Court Order dated May 5, 1997	2,143,267
4. Obsolete Fixed Assets, LBP-ARF	1,392
Total	3,988,893

Of the balance of the DA, the DA–Proper reported P1.71 billion or 59.35 percent pertaining to obsolete and unserviceable assets awaiting final disposition as well as those assets still serviceable but are no longer being used.

The UPS reported P1.29 billion or 79.09 percent of the total SUCs which consists of items in transit, which was reclassified under Other Assets account in conformity with PPSAS. This account is for reconciliation as most of the balances are dormant for more than 10 years already and

supporting documents are no longer available to back up the existence of the account.

16. CONTINGENT ASSET

This was reported by DOF – BTr includes unclaimed bank account balances from various banks that have not yet decided by court for escheat. The amount of unclaimed balances from various banks as of CY 2019, based on Unclaimed Balances Report from the Law and Litigation Division, is as follows:

Particulars		Original Currency	Philippine Peso
Philippine Peso	PHP	314,523,502.23	314,523,502.23
U.S. Dollar	USD	530,495.16	26,950,215.12
European Euro	EUR	24,408.62	1,390,791.62
Japanese Yen	JPY	2,538,415.98	1,186,142.88
Australian Dollar	AUD	4,170.00	148,566.38
New Zealand Dollar	NZD	2,555.00	87,264.12
U.K Pound	GBP	1,112.70	74,898.91
Total			<u>344,361,381.26</u>

The amount disclosed by the DOF is subject to adjustment as the concerned BTr unit is still in the process of updating the records pertaining to unclaimed balances.

17. FINANCIAL LIABILITIES

Financial Liabilities is composed of the following:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Payables	380,739,526	428,020,965
Bills/Bonds/Loans Payable	919,842,293	1,063,609,377
Total	<u>1,300,581,818</u>	<u>1,491,630,342</u>

17.1. Payables

This group of accounts consists of the following:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Accounts Payable	165,890,082	221,691,184
Due to Officers and Employees	19,923,144	17,564,047
Notes Payable	84,547,085	84,548,007
Interest Payable	98,848,506	88,300,075
Operating Lease Payable	1,092,723	1,070,244
Finance Lease Payable	485,451	421,394
Awards and Rewards Payable	857,756	857,756
Service Concession Arrangements Payable	7,397,897	8,191,837

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Tax Refunds Payable	<u>1,696,881</u>	<u>5,376,422</u>
Total	<u>380,739,526</u>	<u>428,020,965</u>

a. Accounts Payable

This account represents unpaid obligations arising from the normal course of trade and business operation. The departments/offices which reported balances of this account are as follows:

Department/Office	Amount <i>(in thousand pesos)</i>	Percent to Total
Transportation	54,433,843	32.81
Public Works and Highways	26,305,735	15.86
Education	16,706,191	10.07
State Universities and Colleges	13,279,460	8.00
Health	10,769,109	6.49
Social Welfare and Development	8,311,199	5.01
National Defense	4,567,420	2.75
Agriculture	4,436,751	2.67
Other Executive Offices	3,463,324	2.09
Interior and Local Government	<u>3,275,890</u>	<u>1.97</u>
Sub-Total	145,548,921	87.74
Other Departments/Offices	<u>20,341,162</u>	<u>12.26</u>
Total	<u>165,890,082</u>	<u>100.00</u>

The balance of the DOTr was reported substantially by the DOTr – Proper in the amount of P54.01 billion or 99.22 percent.

Of the total for the DepEd, the DepEd – Proper recognized P16.63 billion or 99.56 percent, while for the SUCs, the UPS was the highest with P9.37 billion or 70.59 percent. For the DOH, the DOH – Proper reported a significant amount of P10.71 billion or 99.48 percent.

b. Due to Officers and Employees

This account represents unpaid claims of officers and employees for salaries, benefits and other emoluments including authorized reimbursements. The departments/offices which reported balances of this account are as follows:

Department/Office	Amount <i>(in thousand pesos)</i>	Percent to Total
Interior and Local Government	5,246,359	26.33
Education	4,379,408	21.98
National Defense	2,656,149	13.33
Justice	2,052,274	10.30
Health	1,290,123	6.48
State Universities and Colleges	797,429	4.00
Finance	741,430	3.72
The Judiciary	431,014	2.16

Department/Office	Amount (in thousand pesos)	Percent to Total
Social Welfare and Development	369,321	1.85
Public Works and Highways	<u>260,815</u>	<u>1.31</u>
Sub-Total	18,224,321	91.47
Other Departments/Offices	<u>1,698,824</u>	<u>8.53</u>
Total	<u>19,923,144</u>	<u>100.00</u>

Of the total for DILG, the PNP reported P5.09 billion or 97.01 percent which represents unpaid salaries and allowances, other bonuses and allowances, fringe benefits, emoluments and other claims of PNP personnel such as terminal leave benefits and reimbursement of travel expenses. The DepEd – Proper mainly reported the amount of P4.38 billion or 99.93 percent. Of the total for DND, the PA and PN reported P2.01 billion and P496.25 million or 75.51 percent and 18.68 percent, respectively.

c. Notes Payable

The DOF – BTr reported P84.55 billion which represents promissory notes issued to BSP, IMF, and Multilateral Investment Guarantee Agency (MIGA) for payment of subscription to the capital stocks of IMF and MIGA.

d. Interest Payable

The balance of this account was reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
Finance	98,847,953	100.00
State Universities and Colleges	<u>553</u>	<u>0.00</u>
Total	<u>98,848,506</u>	<u>100.00</u>

The balance reported by the DOF – BTr pertains to the accrued interest on the re-issuance of T-Bonds and outstanding NG debt.

e. Operating Lease Payable

The balance of this account was reported by DOTr and PCOO in the amount of P1.07 billion or 98.24 percent and P19.27 million or 1.76 percent, respectively.

The amount of P1.07 billion reported by the DOTr – Proper represents rent expense payable to the National Housing Authority (NHA) for the lease contract of land rented by the MRT3 Depot. The NPO reported the balance for the PCOO which pertains to accrued rent expense for the lease of machines used in the printing of accountable and specialized forms.

f. Finance Lease Payable

This account represents liability arising from a finance lease contract. The balance of this account was reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
Health	336,010	69.22
Finance	101,794	20.97
Labor and Employment	39,130	8.06
Other Executive Offices	4,677	0.96
Transportation	3,366	0.69
Trade and Industry	475	0.10
Total	<u>485,451</u>	<u>100.00</u>

The balance of P336.01 million for DOH – Proper represents liability for leased equipment.

For the DOF, the BIR reported the entire amount relative to the contract of the Bureau with its lessors, the LBP Leasing Corporation and the Philippine Reclamation Authority.

g. Awards and Rewards Payable

This account represents awards granted for civic or professional achievement and rewards to informers for the receipt of reliable information leading to successful arrest/capture of fugitives, seizure/confiscation of smuggled goods, or collection/recovery of unpaid taxes/surcharges/fines/penalties.

Among the departments/offices, the BOC of the DOF reported P857.76 million.

h. Service Concession Arrangements Payable

This account represents liability arising from unconditional obligation of the grantor entity to make series of payments to the operator upon recognition of service concession assets, excluding finance charge and service components of the payments.

Only the DepEd recognized this account with a balance of P7.40 billion relative to its Public-Private Partnership for School Infrastructure Project.

i. Tax Refunds Payables

The departments/offices which reported balances of this account are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
Finance	1,620,488	95.50
State Universities and Colleges	40,022	2.36
The Judiciary	18,348	1.08
Health	11,634	0.69
Office of the President	1,882	0.11
Trade and Industry	982	0.06
Social Welfare and Development	645	0.04
Science and Technology	589	0.03
Education	566	0.03
Office of the Ombudsman	514	0.03
Sub-Total	1,695,669	99.93
Other Departments/Offices	1,212	0.07
Total	<u>1,696,881</u>	<u>100.00</u>

Of the total for DOF, the BIR and BOC reported P811.14 million and P809.32 million or 50.06 percent and 49.94 percent, respectively. For SUCs, the UPS reported P35.48 million which includes over-withheld taxes due for refund to permanent and retired employees. For The Judiciary, the SCP reported P18.35 million which includes over-withheld taxes due for refund to Lower Courts officials and personnel which are subject for further verification and adjustment/reclassification by the SCP, if appropriate.

17.2. *Bills/Bonds/Loans Payable*

This group of accounts consists of the following:

Particulars	2019	2018 (Restated)
	(in thousand pesos)	
Treasury Bills Payable	486,170,300	494,306,302
Bonds Payable-Domestic	287,218,100	429,797,640
Bonds Payable-Foreign	85,336,711	79,889,604
Loans Payable-Domestic	905,857	879,269
Loans Payable-Foreign	60,211,325	58,736,562
Total	<u>919,842,293</u>	<u>1,063,609,377</u>

a. Treasury Bills Payable

This account represent issuances of T-Bills to government securities eligible dealers, GFIs/GCs, LGUs, tax exempt institutions and other entities through auction, over the counter or tap method. The BTr reported the total T-Bills Payable of the NG.

b. Bonds Payable-Domestic

This pertains to flotations of peso-denominated bonds reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
Finance	287,217,445	100.00
Social Welfare and Development	400	0.00
Trade and Industry	<u>255</u>	<u>0.00</u>
Total	<u>287,218,100</u>	<u>100.00</u>

The BTr reported the balance of the DOF which includes the Agrarian Reform bonds of P10.50 billion representing the outstanding 10/25-year bonds issued by the LBP on behalf of the NG to pay landowners for their agricultural landholdings covered by the Agrarian Reform Program.

c. Bonds Payable-Foreign

This account refers to offshore flotations of foreign currency-denominated bonds.

The balance of P85.34 billion was reported by the BTr.

d. Loans Payable-Domestic

This account was reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
Finance	792,500	87.49
Metropolitan Manila Development Authority	53,116	5.86
State Universities and Colleges	48,650	5.37
Presidential and Communications Operations Office	8,535	0.94
Other Executive Offices	<u>3,056</u>	<u>0.34</u>
Total	<u>905,857</u>	<u>100.00</u>

The BTr reported the balance for the DOF which consists of NG assumed obligation from the DBP and PNB of P442.50 million and P350 million, respectively.

The balance reported by the MMDA consists of loans from DBP and LBP originally intended for the conversion of Makati Hotel into MMDA building.

Among the SUCs, the Polytechnic University of the Philippines (PUP) reported the highest amount of P19.54 million or 40.15 percent which pertained to the loan from the Government Service Insurance System (GSIS) for the purchase of the Condotel-Hostel in Manila.

e. Loans Payable-Foreign

The balance of P60.21 billion was reported by the BTr.

18. INTER-AGENCY PAYABLES

18.1. *Inter-Agency Payables*

This group of accounts is composed of the following:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Due to BIR	8,117,746	7,786,824
Due to GSIS	7,924,425	8,768,472
Due to Pag-IBIG	716,273	521,028
Due to Philhealth	1,194,031	1,706,876
Due to GOCCs	32,861,500	37,882,128
Due to LGUs	<u>8,698,757</u>	<u>8,688,888</u>
Total	<u>59,512,732</u>	<u>65,354,216</u>

a. Due to BIR

This account represents taxes withheld from salaries of officers and employees, and from payments to suppliers and service providers for remittance to BIR by the following departments/offices:

Department/Office	Amount <i>(in thousand pesos)</i>	Percent to Total
Public Works and Highways	3,166,950	39.01
Health	715,321	8.81
Education	695,634	8.57
State Universities and Colleges	516,680	6.36
National Defense	441,975	5.44
Interior and Local Government	219,692	2.71
Agriculture	209,745	2.58
Congress of the Philippines	203,443	2.51
Transportation	200,179	2.47
Commission on Elections	<u>183,979</u>	<u>2.27</u>
Sub-Total	6,553,598	80.73
Other Departments/Offices	<u>1,564,149</u>	<u>19.27</u>
Total	<u>8,117,746</u>	<u>100.00</u>

The DPWH reported unremitted taxes withheld of P3.17 billion or 39.01 percent of the total Due to BIR.

The DOH – Proper recognized P705.05 million or 98.56 percent which represents the unremitted taxes withheld from salaries of personnel and from payment to suppliers.

b. Due to GSIS

This account represents the employees' premium payments and other payables for remittance to the GSIS by the following:

Department/Office	Amount (in thousand pesos)	Percent to Total
Education	6,243,863	78.79
Bangsamoro Autonomous Region in Muslim Mindanao	484,676	6.12
Health	277,787	3.51
State Universities and Colleges	243,332	3.07
Finance	82,868	1.05
Other Executive Offices	61,902	0.78
Interior and Local Government	55,347	0.70
Commission on Elections	51,867	0.65
Justice	42,964	0.54
Metropolitan Manila Development Authority	33,060	0.42
Sub-Total	7,577,667	95.62
Other Departments/Offices	346,758	4.38
Total	<u>7,924,425</u>	<u>100.00</u>

The DepEd – Proper reported the balance of P6.24 billion.

c. Due to Pag-IBIG

This account represents withheld employees' premium payments and other payables for remittance to the Home Development Mutual Fund by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
Education	517,274	72.22
State Universities and Colleges	38,737	5.41
Health	34,433	4.81
National Defense	24,747	3.45
Justice	22,147	3.09
Public Works and Highways	14,495	2.02
Social Welfare and Development	8,841	1.23
The Judiciary	8,101	1.13
Bangsamoro Autonomous Region in Muslim Mindanao	7,233	1.01
Agriculture	6,816	0.95
Sub-Total	682,824	95.33
Other Departments/Offices	33,450	4.67
Total	<u>716,273</u>	<u>100.00</u>

The DepEd – Proper reported the balance of P517.24 million.

Two departments/offices posted abnormal/negative balances as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
Metropolitan Manila Development Authority	9,133	96.44
Presidential Communications Operations Office	337	3.56
Total	<u>9,470</u>	<u>100.00</u>

The balance of MMDA pertains to over remittance and erroneous recording from 1998 to 2000.

The balance of the PCOO was due to negative balance of Public Information Agency offset by the positive balances of other agencies as shown below:

Department/Office	Amount (in thousand pesos)
Presidential Communications Operations Office – Proper	38
Bureau of Broadcast Services	645
News and Information Bureau	35
National Printing Office	339
Public Information Agency	<u>(1,393)</u>
Total	<u>(337)</u>

d. Due to PhilHealth

This account represents withheld employees' premium payments for remittance to PhilHealth by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
Education	1,017,712	85.23
Health	32,436	2.72
State Universities and Colleges	27,413	2.30
The Judiciary	21,611	1.81
Bangsamoro Autonomous Region in Muslim Mindanao	15,839	1.33
Finance	9,858	0.83
Interior and Local Government	9,849	0.82
Social Welfare and Development	8,811	0.74
Justice	7,111	0.60
Metropolitan Manila Development Authority	<u>7,037</u>	<u>0.59</u>
Sub-Total	1,157,677	96.96
Other Departments/Offices	<u>36,354</u>	<u>3.04</u>
Total	<u>1,194,031</u>	<u>100.00</u>

e. Due to GOCCs

The balance of this account was reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
Finance	22,768,143	69.29
Public Works and Highways	4,768,371	14.51
Foreign Affairs	2,740,247	8.34
Budget and Management	822,186	2.50
Transportation	680,715	2.07
National Defense	440,767	1.34
Tourism	131,743	0.40
Energy	75,556	0.23
State Universities and Colleges	66,119	1.20
Health	<u>57,563</u>	<u>0.18</u>
Sub-Total	32,551,410	99.06
Other Departments/Offices	<u>310,090</u>	<u>0.94</u>
Total	<u>32,861,500</u>	<u>100.00</u>

Of the balance for the DOF, the BTr reported P22.76 billion, details as follows:

Particulars	Amount (in thousand pesos)
1. Managed funds and escrow account held by NG for BSF, Debt Repayment Fund and other GCs	1,948,956
2. Remittances of GCs	235,765
3. Philippine Coconut Authority collections	132,479
4. Balance of proceeds from the drawing of USD120 million Performance Bond/Irrevocable Standby Letter of Credit put up by the Maynilad Water Services, Inc. to secure its concessions fee liabilities with Metropolitan Waterworks and Sewerage System	133,299
5. NG payable to BSP representing IMF revaluation of the Special Drawing Rights in Philippine Peso with BSP	20,291,932
6. Advances made by LBP for the account of LBP-ARF	13,219
Total	<u>22,755,650</u>

f. Due to LGUs

This account was reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
Energy	6,953,120	79.93
Bangsamoro Autonomous Region in Muslim Mindanao		
Mindanao	755,549	8.69
Commission on Elections	152,136	1.75
Budget and Management	145,164	1.67
Agriculture	135,615	1.56
State Universities and Colleges	124,986	1.44
Public Works and Highways	108,604	1.25
Social Welfare and Development	76,210	0.88
Education	75,719	0.87
Metropolitan Manila Development Authority	53,172	0.61
Sub-Total	8,580,275	98.64
Other Departments/Offices	118,482	1.36
Total	<u>8,698,757</u>	<u>100.00</u>

The balance reported by the DOE represents the subsidy to various host communities in accordance with Energy Regulation No. 1-94. Rule 29 of the Implementing Rules and Regulations of R.A. No. 9136 otherwise known as the Electric Power Industry Reform Act of 2001 requiring Generating Facilities and/or energy resource development facilities that provide financial benefits of one centavo per kilowatt-hour of their electricity sales. These funds are maintained as trust funds to be used for the implementation of electrification, development and livelihood and reforestation, watershed management, health and/or environment enhancement projects to the host communities.

19. INTRA-AGENCY PAYABLES

This group of accounts is composed of the following:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Due to Central Office	177,629	3,309,716
Due to Regional Offices	359,344	936,033
Due to Operating Units	66,963	464,883
Due to Other Funds	362,396	117,174
Total	<u>966,332</u>	<u>4,827,806</u>

20. TRUST LIABILITIES

20.1. *Trust Liabilities*

This pertains to amounts held in trust for specific purposes, accounted as follows:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Trust Liabilities	36,711,264	29,469,216
Trust Liabilities-Disaster Risk Reduction and Management Fund	328,611	371,186
Bail Bonds Payable	744,974	717,053
Guaranty/Security Deposits Payable	61,198,459	62,949,237
Customers' Deposits Payable	416,729	485,971
Total	<u>99,400,037</u>	<u>93,992,663</u>

a. Trust Liabilities

The departments/offices with balances of this account are as follows:

Department/Office	Amount <i>(in thousand pesos)</i>	Percent to Total
State Universities and Colleges	11,055,363	30.11
Trade and Industry	6,496,782	17.70
Labor and Employment	4,140,665	11.28
Finance	3,870,664	10.54
Education	3,390,416	9.24
Interior and Local Government	1,803,595	4.91
The Judiciary	1,077,281	2.93
National Defense	1,028,392	2.80
Public Works and Highways	796,741	2.17
Health	759,746	2.07
Sub-Total	<u>34,419,646</u>	<u>93.76</u>
Other Departments/Offices	2,291,618	6.24
Total	<u>36,711,264</u>	<u>100.00</u>

Of the total balance for SUCs, the UPS reported P9.02 billion or 81.56 percent.

b. Trust Liabilities-Disaster Risk Reduction and Management Fund

Five departments reported balances of this account, as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
National Defense	160,493	48.84
Social Welfare and Development	147,831	44.99
Agriculture	18,032	5.49
Labor and Employment	2,226	0.68
Finance	30	0.01
Total	<u>328,611</u>	<u>100.00</u>

The balance of the DND which was reported by the Office of the Civil Defense pertains to the amount received from both local and foreign sources intended for victims of calamities.

The DSWD – Proper reported the amount of P147.83 million which pertains to cash donations received, disbursed and/or transferred to FOs.

c. Bail Bonds Payable

This pertains to liability arising from the receipt of cash bond of persons who are in the custody of law to guarantee their appearance in court at the appointed day and time or the compliance with the conditions of the bond. This also includes immigration bonds required from foreign nationals charged with crimes or violations of the Philippine laws.

The departments/offices with balances of this account are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
The Judiciary	550,543	73.90
Justice	<u>194,431</u>	<u>26.10</u>
Total	<u>744,974</u>	<u>100.00</u>

Of the amount under The Judiciary, the Sandiganbayan, Court of Appeals, SCP and PET reported P320.30 million or 58.18 percent, P179.50 million or 32.60 percent, P35.84 million or 6.51 percent and P14.90 million or 2.71 percent, respectively. The balance of the DOJ was reported by the BI.

d. Guaranty/Security Deposits Payable

This pertains to liability arising from receipt of cash or cash equivalents to guarantee performance of the terms of the contract by the contractor which are refundable after the fulfillment of the purpose of the bond or forfeiture for failure to comply with the purpose of the bond.

The departments/offices with balances of this account are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
Public Works and Highways	45,542,124	74.42
Finance	3,696,958	6.04
Health	2,674,488	4.37
Education	2,066,248	3.38
National Defense	1,314,041	2.15
State Universities and Colleges	975,861	1.59
Environment and National Resources	975,671	1.59
Agriculture	898,233	1.47
Transportation	416,461	0.68
Interior and Local Government	355,491	0.58
Sub-Total	58,915,578	96.27
Other Departments/Offices	2,282,881	3.73
Total	<u>61,198,459</u>	<u>100.00</u>

The amount reported by the DPWH represents 10 percent retention fees from contractors' billings, and bidders and performance bonds posted by suppliers.

e. Customers' Deposits Payable

The following departments/offices reported balances of this account:

Department/Office	Amount (in thousand pesos)	Percent to Total
Presidential Communications Operations Office	358,642	86.06
State Universities and Colleges	15,788	3.79
Tourism	14,770	3.54
Public Works and Highways	6,778	1.63
Health	6,076	1.46
Environment and Natural Resources	5,956	1.43
Justice	5,006	1.20
Agriculture	1,081	0.26
Education	1,024	0.25
Science and Technology	610	0.15
Sub-Total	415,731	99.76
Other Departments/Offices	998	0.24
Total	<u>416,729</u>	<u>100.00</u>

The balance for PCOO was reported by the NPO which represents advance deposits of different agencies for the printing of accountable, standard and specialized forms that are not yet delivered as at yearend.

21. OTHER PAYABLES

21.1. Other Payables

The departments/offices with balances of this account are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
State Universities and Colleges	22,984,279	43.40
Education	6,320,157	11.93
Commission on Elections	5,509,123	10.40
Justice	3,795,188	7.17
Health	3,705,023	7.00
Finance	2,160,328	4.08
Transportation	1,871,806	3.53
Public Works and Highways	900,462	1.70
National Defense	896,007	1.69
Foreign Affairs	745,784	1.41
Sub-Total	48,888,156	92.30
Other Departments/Offices	4,076,043	7.70
Total	<u>52,964,199</u>	<u>100.00</u>

Of the total SUCs, the UPS reported P18.90 billion or 82.23 percent, of which P9.51 billion representing 48.13 percent of the total UPS Other Payables was recognized in the books of UP Diliman.

The DepEd – Proper reported the amount of P6.32 billion or 99.93 percent which includes balances of trust liability accounts of operating units and amounts payable to private lending institutions and insurance companies for loan repayments and insurance premiums deducted from salaries of employees.

22. DEFERRED CREDITS/UNEARNED INCOME

22.1. *Deferred Credits/Unearned Income*

This group of accounts consists of the following:

Particulars	2019	2018 (Restated)
	(in thousand pesos)	
Deferred Service Concession Revenue	940	-
Other Deferred Credits	4,169,590	5,114,489
Unearned Revenue-Investment Property	30	30
Other Unearned Revenue	<u>59,885</u>	<u>171,136</u>
Total	<u>4,230,445</u>	<u>5,285,655</u>

a. Deferred Service Concession Revenue

Among the agencies of the NG, only the Philippine Overseas Employment Administration (POEA) under DOLE reported this account which pertains to advance deposits for space rental at POEA building.

b. Other Deferred Credits

This account was reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
Finance	1,647,690	39.52
Health	718,034	17.22
National Defense	686,494	16.46
State Universities and Colleges	571,456	13.71
Science and Technology	219,493	5.26
Agriculture	133,612	3.20
Environment and Natural Resources	84,873	2.04
Interior and Local Government	29,016	0.70
Agrarian Reform	16,722	0.40
Education	12,434	0.30
Sub-Total	4,119,823	98.81
Other Departments/Offices	49,767	1.19
Total	<u>4,169,590</u>	<u>100.00</u>

Of the total DOF, the BTr reported P1.61 billion or 97.77 percent as follows:

Particulars	Amount (in thousand pesos)
Accrued interest on 10-year and 25-year bonds payable, LBP-ARF	488,818
Interest increment on PD No. 27 and EO No. 228 claims, LBP-ARF	1,122,060
Total	<u>1,610,878</u>

c. Unearned Revenue-Investment Property

Among the agencies of the NG, only the University of Southeastern Philippines under SUCs reported this account with a total of P30 thousand which pertained to advances from lessees for rental of commercial stalls.

d. Other Unearned Revenue

This account represents other income/revenue received in advance. The departments/offices which reported balances of this account are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
State Universities and Colleges	17,400	29.06
Science and Technology	16,672	27.84
Agriculture	12,866	21.48
Health	8,010	13.38
Trade and Industry	3,620	6.04
Education	606	1.01
Finance	348	0.58
Labor and Employment	154	0.26
Transportation	92	0.15
Tourism	60	0.10
Sub-Total	59,827	99.90

Department/Office	Amount (in thousand pesos)	Percent to Total
Other Departments/Offices	58	0.10
Total	<u>59,885</u>	<u>100.00</u>

Among the SUCs, the Technological University of the Philippines (TUP) reported the highest amount of P9.56 million or 54.93 percent, followed by Carlos C. Hilado Memorial State College at P3.99 million or 22.92 percent.

23. PROVISIONS

23.1. Provisions

This group of accounts is composed of the following:

Particulars	2019	2018 (Restated)
	(in thousand pesos)	
Leave Benefits Payable	18,338	37,042
Retirement Gratuity Payable	11,774	-
Other Provisions	<u>25,063</u>	<u>19,081</u>
Total	<u>55,175</u>	<u>56,123</u>

a. Leave Benefits Payable

The departments/offices with balances of this account are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
State Universities and Colleges	16,498	89.97
Transportation	672	3.67
Health	570	3.11
Office of the President	399	2.18
Trade and Industry	<u>198</u>	<u>1.08</u>
Total	<u>18,338</u>	<u>100.00</u>

The balance of the SUCs was reported by the TUP, while for the DOTr, the amount was reported by Office for Transportation Security.

b. Retirement Gratuity Payable

Among the agencies of the NG, only the DepEd – Proper reported this account with a total of P11.77 million.

c. Other Provisions

This account is used to recognize liabilities of uncertain timing or amount.

Among the departments, only the DND and SUCs reported balances of this account. Under the DND, the Armed Forces of the Philippines-Commissary and Exchange Services (AFP-CES) substantially recognized P17.20 million

or 68.61 percent of the total for NG which pertains to the reserve for contingency claims by its civilian employees who filed labor cases against the AFP-CES. Among the SUCs, the Benguet State University and Tarlac College of Agriculture reported this account with an amount of P1.79 million and P1.29 million, respectively.

24. FINANCIAL LIABILITIES

Financial Liabilities is composed of the following:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Payables	709,671	812,184
Bills/Bonds/Loans Payable	<u>6,836,469,923</u>	<u>6,220,027,233</u>
Total	<u>6,837,179,594</u>	<u>6,220,839,418</u>

24.1. Payables

Payables consists of the following:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Notes Payable	20	-
Interest Payable	102,994	102,994
Finance Lease Payable	<u>606,658</u>	<u>709,191</u>
Total	<u>709,671</u>	<u>812,184</u>

a. Notes Payable

Among the agencies of the NG, only the Commission on Filipino Overseas under the OEO reported this account which represents unpaid salary and bonus of employees.

b. Interest Payable

Among the agencies of the NG, only the Philippine Drug Enforcement Agency under OEO reported this account which pertains to interest payable of the assumed obligations due to National Housing Authority representing transferred land situated in East Triangle Quezon City where the National Office was located by virtue of E.O. No. 227 dated July 14, 2003.

c. Finance Lease Payable

Among the agencies of the NG, the DOF, specifically the BIR reported the amount of P578.08 million or 95.29 percent of the total NG, which pertains to lease payments under the finance lease contract payable by the Bureau to the lessors, LBP Leasing Corporation and Philippine Reclamation Authority. The DOLE – Proper reported the amount of P28.58 million or 4.71 percent.

24.2. *Bills/Bonds/Loans Payable*

This group of accounts is composed of the following:

Accounts	2019					2018 (Restated)
	Gross Amount	Premium	Discount	Bond Issue Cost	Carrying Amount	Carrying Amount
	<i>(in thousand pesos)</i>					
Bonds Payable- Domestic	4,355,043,049	24,711,756	(8,027,097)	(178,915)	4,371,548,794	3,845,297,002
Bonds Payable- Foreign	1,538,674,994	1,678,417	(4,340,923)	(731,675)	1,535,280,813	1,485,906,759
Loans Payable- Domestic	561,756				561,756	607,634
Loans Payable- Foreign	929,078,559	-	-	-	929,078,559	888,215,838
Total	<u>6,823,358,359</u>	<u>26,390,173</u>	<u>(12,368,019)</u>	<u>(910,589)</u>	<u>6,836,469,923</u>	<u>6,220,027,233</u>

a. Bonds Payable-Domestic

The total Bonds Payable-Domestic of P4.372 trillion or almost 100 percent was reported by DOF – BTr which represents domestic bond flotations with maturity period of more than one year.

b. Bonds Payable-Foreign

The DOF – BTr reported this account which pertains to offshore bond flotations of the ROP with maturity period of more than one year.

c. Loans Payable-Domestic

The balance of this account was reported by the following departments/offices:

Department/Office	Amount <i>(in thousand pesos)</i>	Percent to Total
State Universities and Colleges	541,218	96.34
Metropolitan Manila Development Authority	17,000	3.03
Agriculture	<u>3,538</u>	<u>0.63</u>
Total	<u>561,756</u>	<u>100.00</u>

The PUP topped the SUCs with P415.13 million or 73.90 percent of the total Loans Payable-Domestic of the NG. This pertains to the non-current portion of the loan from the GSIS for the purchase of the condotel-hostel located in Manila.

The total for MMDA represents its loans from LBP for the Metro Manila Kilusang Kabuhayan at Kaunlaran Livelihood Projects.

d. Loans Payable-Foreign

The balance of this account was reported by two departments/offices, as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
Finance	928,982,502	99.99
Foreign Affairs	<u>96,057</u>	<u>0.01</u>
Total	<u>929,078,559</u>	<u>100.00</u>

The balance for DOF – BTr reported the amount of P928.98 billion. The balance for DFA – Proper representing the Foreign Currency Deposit Unit loan granted by PNB, London in connection with the acquisition of property at Suffolk Street, London on April 10, 2006 which serves as the Philippine Chancery authorized per UK-369-OUA-2006 dated July 12, 2006. The loan is payable in 13 years in 52 equal installments due every quarter.

25. TRUST LIABILITIES

25.1. Trust Liabilities

The total Trust Liabilities consists of the following:

Particulars	2019	2018 (Restated)
	(in thousand pesos)	
Trust Liabilities	17,350,262	17,845,059
Bail Bonds Payable	97,378	85,044
Guaranty/Security Deposits Payable	2,141,964	1,179,961
Customers' Deposits Payable	<u>866,968</u>	<u>772,645</u>
Total	<u>20,456,571</u>	<u>19,882,710</u>

a. Trust Liabilities

The departments/offices with balances of this account are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
The Judiciary	16,072,192	92.63
Education	500,327	2.88
Other Executive Offices	284,333	1.64
Transportation	220,280	1.27
State Universities and Colleges	90,420	0.52
Interior and Local Government	73,855	0.43
Office of the Ombudsman	56,990	0.33
National Economic and Development Authority	<u>18,765</u>	<u>0.11</u>
Sub-Total	17,317,161	99.81
Other Departments/Offices	<u>33,101</u>	<u>0.19</u>
Total	<u>17,350,262</u>	<u>100.00</u>

The balance for The Judiciary, which was reported by the SCP, comprised of Office of the Court Administrator Fiduciary Fund and Fiduciary Fund notarial collections.

b. Bail Bonds Payable

The departments/offices with balances of this account are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
The Judiciary	86,268	88.59
Trade and Industry	<u>11,110</u>	<u>11.41</u>
Total	<u>97,378</u>	<u>100.00</u>

Among the agencies of the NG, The Judiciary, specifically the Court of Tax Appeals (CTA) reported the amount of P86.27 million or 85.79 percent, which pertains to cash bond deposits and/or received in trust from various petitioners. These are trust receipts, which will be returned to concerned petitioners upon written order of the Court. These are subject to further verification, analysis and adjustment/reclassification by the CTA, if appropriate. The Intellectual Property Office under the DTI reported the amount of P11.11 million.

c. Guaranty/Security Deposits Payable

The departments/offices with balances of this account are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
Transportation	591,169	27.60
State Universities and Colleges	525,857	24.55
Public Works and Highways	232,817	10.87
Justice	225,224	10.51
Finance	148,722	6.94
Other Executive Offices	111,930	5.23
Social Welfare and Development	96,836	4.52
National Economic and Development Authority	92,300	4.31
The Judiciary	37,244	1.74
National Defense	<u>21,693</u>	<u>1.01</u>
Sub-Total	2,083,791	97.28
Other Departments/Offices	<u>58,172</u>	<u>2.72</u>
Total	<u>2,141,964</u>	<u>100.00</u>

d. Customers' Deposits Payable

This account representing the cash deposits from customers for goods/services was reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
The Judiciary	861,371	99.35
Finance	3,728	0.43
National Defense	1,830	0.21
State Universities and Colleges	<u>39</u>	<u>0.00</u>
Total	<u>866,968</u>	<u>100.00</u>

The amounts for The Judiciary and the DOF were reported by the SCP and PMO, respectively. The total for SCP comprised of Lower Courts' Sheriff's Trust Fund collections while the PMO's accounts include rental deposit from First Natgas Power Corporation and deposit on the sale of Peninsula Bank property, Al Amanah Islamic Bank property, Delta Motors property and Development Bank of Rizal property.

26. DEFERRED CREDITS/UNEARNED INCOME

26.1. *Deferred Credits/Unearned Income*

This group of accounts consists of the following:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Other Deferred Credits	25,286,021	25,935,358
Other Unearned Revenue	<u>11,611</u>	<u>5,824</u>
Total	<u>25,297,632</u>	<u>25,941,182</u>

a. Other Deferred Credits

The departments/offices with balances of this account are as follows:

Department/Office	Amount <i>(in thousand pesos)</i>	Percent to Total
Finance	23,862,391	94.37
State Universities and Colleges	846,714	3.35
Justice	273,767	1.08
Agriculture	113,424	0.45
Transportation	<u>89,155</u>	<u>0.35</u>
Sub-Total	25,185,451	99.60
Other Departments/Offices	<u>100,570</u>	<u>0.40</u>
Total	<u>25,286,021</u>	<u>100.00</u>

Of the balance for the DOF, PMO reported P15.88 billion or 66.55 percent arising from the installment sale of transferred assets. The BIR reported P6.43 billion or 26.94 percent representing the unredeemed Backpay Certificate of Indebtedness turned over to the BTr for redemption for the period 1971 to 1983.

The BTr-NG also reported P1.56 billion or 6.52 percent, details of which are as follows:

Particulars	Amount <i>(in thousand pesos)</i>
1. Proceeds from ROP's issuance of Debt Exchange Warrants which entitles the holders during exercise period to tender dollar/euro bonds and receives in exchange a peso denominated treasury bonds.	1,471,585
2. Contra account in setting up the receivable from DBP and PMO	44,612

Particulars	Amount (in thousand pesos)
3. Converted balance under Fund 105 which had remained dormant for over 30 years and was already requested for write-off	566
4. Capitalized interest and other charges, LBP-ARF	<u>38,732</u>
Total	<u>1,555,496</u>

b. Other Unearned Revenue

The departments/offices with balances of this account are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
State Universities and Colleges	6,572	56.60
Public Works and Highways	4,988	42.96
Trade and Industry	<u>51</u>	<u>0.44</u>
Total	<u>11,611</u>	<u>100.00</u>

27. OTHER PAYABLES

27.1. Other Payables

The following departments/offices reported balances of Other Payables:

Department/Office	Amount (in thousand pesos)	Percent to Total
Social Welfare and Development	19,326,774	87.67
Transportation	2,021,946	9.17
Justice	292,800	1.33
State Universities and Colleges	222,142	1.01
Environment and Natural Resources	36,082	0.16
Congress of the Philippines	31,698	0.14
The Judiciary	29,254	0.13
Science and Technology	25,384	0.12
Trade and Industry	12,351	0.06
National Defense	<u>11,695</u>	<u>0.05</u>
Sub-Total	22,010,125	99.84
Other Departments/Offices	<u>34,226</u>	<u>0.16</u>
Total	<u>22,044,351</u>	<u>100.00</u>

The DSWD-Proper reported the amount of P19.33 billion which represents the payroll deductions for remittance to the Mutual Benefit Association, Social Welfare Employees Association of the Philippines, Project to Supplement Personnel Economic Resources, DSWD Employees Multipurpose Cooperative in CARAGA, SSS, healthcard, and other individual creditors/suppliers which include service providers/suppliers of Crisis Intervention Unit clients. This includes the unpaid cash grants for Pantawid Pamilya beneficiaries, collections from repayment of seed capital provided to Self-employment Assistance - Kaunlaran associations. It also includes bid security and performance bond from prospective bidder for the procurement of goods and services under public bidding which are subject to verification, analysis and adjustment/reclassification by the DSWD, if appropriate.

28. PROVISIONS

28.1. Provisions

This group of accounts consists of the following:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Pension Benefits Payable	1,222,765	2,332,422
Leave Benefits Payable	1,507	1,636
Retirement Gratuity Payable	565	565
Other Provisions	9	259
Total	<u>1,224,846</u>	<u>23,34,882</u>

The DND – PVAO reported the amount of P1.22 billion or 99.89 percent representing pension benefits payable to pensioners/ beneficiaries.

29. CONTINGENT LIABILITIES

The contingent liabilities of the NG as disclosed by the DOF – BTr are as follows:

Particulars	Currency	Foreign	Domestic	Total
		<i>(in thousand pesos)</i>		
NG Direct Guarantee on GCs	USD	4,402,129		
Loans	Php	223,636,951	260,627,647	484,264,598
GFI Guarantee Assumed by NG	USD	85,526		
per Proclamation 50	Php	<u>4,344,897</u>	<u>136,069</u>	<u>4,480,967</u>
	USD	<u>4,487,655</u>		
Total	Php	<u>227,981,848</u>	<u>260,763,717</u>	<u>488,745,564</u>

30. CHANGES IN NET ASSETS/EQUITY

The SCNAE presents the net assets/equity of the NG after considering the restated ending balance of FY 2018, changes in equity as a result of the agencies' operations for FY 2019, and other adjustments, detailed as follows:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Balance at January 1	<u>(1,712,552,735)</u>	<u>(1,578,187,065)</u>
Accumulated Surplus/(Deficit)	(1,677,616,357)	(1,580,282,054)
Revaluation Surplus	-	1,177,188
Unrealized Gain/(Loss) from Changes in the Fair Value of Financial Assets	(34,936,378)	917,801
Add/(Deduct):		
Changes in Accounting Policy	-	(184,537)
Prior Period Errors	-	(230,478,209)
Other Adjustments	-	<u>(320,980,846)</u>
Restated Balance	<u>(1,712,552,735)</u>	<u>(2,129,830,657)</u>
Add/(Deduct):		

Particulars	2019	2018 (Restated)
	(in thousand pesos)	
Changes in Net Assets/Equity for the Fiscal Year		
Surplus/(Deficit) for the Period	224,318,544	31,373,424
Adjustment of Net Revenue recognized directly in Net Assets/Equity	508,234,871	(74,153,314)
Others		
Accumulated Surplus/(Deficit)	(786,405,198)	497,089,180
Revaluation Surplus	-	(1,177,188)
Unrealized Gain/(Loss) from Changes in the Fair Value of Financial Assets	58,011,899	(35,854,179)
Balance at December 31	<u>(1,708,392,620)</u>	<u>(1,712,552,735)</u>
Accumulated Surplus/(Deficit)	(1,731,468,140)	(1,677,616,357)
Unrealized Gain/(Loss) from Changes in the Fair Value of Financial Assets	23,075,521	(34,936,378)

30.1. Balance at January 1, 2019

The beginning balance of net assets/equity is the restated ending balance as at December 31, 2018.

30.2. Changes in Net Assets/Equity for the Fiscal Year

a. Surplus/(Deficit) for the Period

The Surplus for the Period of P224.32 billion consists of surplus from current operations of P229.81 billion and other non-operating income of P98.87 billion after deducting net financial assistance/subsidy of P83.45 billion and non-operating losses of P20.91 billion as reflected in the SFPer, broken down as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
Surplus	<u>965,832,052</u>	<u>100.00</u>
Public Works and Highways	615,067,801	63.68
National Defense	36,655,013	3.80
Health	33,267,051	3.44
Energy	29,828,473	3.09
Transportation	28,118,753	2.91
Education	26,675,534	2.76
Other Executive Offices	25,108,178	2.60
Agriculture	24,748,746	2.56
Justice	21,914,911	2.27
State Universities and Colleges	13,475,321	1.40
Other Departments/Offices	110,972,271	11.49
Deficit	<u>(741,513,508)</u>	<u>100.00</u>
Finance	(741,513,421)	100.00
Joint Legislative-Executive Councils	(87)	0.00
Surplus for the Period	<u>224,318,544</u>	

b. Adjustment of Net Revenue Recognized Directly in Net Assets/Equity

The adjustment of net revenue refers to the closing of the following Cash-Treasury/Agency Accounts to the Accumulated Surplus/(Deficit) account:

Particulars	Amount (in thousand pesos)
Cash-Treasury/Agency Deposit-Regular	(72,820,698)
Cash-Treasury/Agency Deposit-Special Account	533,950,978
Cash-Treasury/Agency Deposit – Trust	29,732,261
Cash-Tax Remittance Advice	19,101,881
Cash-Constructive Income Remittance	<u>(1,729,551)</u>
Total Adjustment of Net Revenue	<u>508,234,871</u>

The Treasury/Agency Cash Accounts are reciprocal accounts in the books of the BTr-NG and NGAs concerned that should have been reconciled and eliminated at the end of the year. The total adjustment of net revenue of P508.23 billion shown above represents the unreconciled accounts as at December 31, 2019.

i. Cash-Treasury/Agency Deposit, Regular

This pertains to collections of various NGAs under the General Fund that were remitted to the National Treasury. The unreconciled balance of P72.82 billion represents remittances of collections already recognized by the agencies concerned but not yet recognized by the BTr-NG.

Account	Amount (in thousand pesos)
Cash-Treasury/Agency Deposit, Regular (reported by the BTr-NG)	2,754,732,156
<i>Less:</i> Cash-Treasury/Agency Deposit, Regular (reported by the NGAs)	<u>(2,827,552,854)</u>
Difference/Unreconciled Balance	<u>(72,820,698)</u>

ii. Cash-Treasury/Agency Deposit, Special Account

This pertains to collections of various NGAs under the SAGF that were remitted to the National Treasury and are not authorized to be used by the collecting NGAs concerned. The difference of P533.95 billion between the BTr-NG and NGAs' books of accounts was computed as follows:

Account	Amount (in thousand pesos)
Cash-Treasury/Agency Deposit, Special (reported in Pre-Closing Trial Balance by the BTr-NG)	627,387,751
<i>Less:</i> Cash-Treasury/Agency Deposit, Special (reported by the NGAs in the SFPs)	<u>91,665,792</u>
Balance that should have been closed to Accumulated Surplus/(Deficit)	535,721,959

Account	Amount (in thousand pesos)
<i>Less: Cash-Treasury/Agency Deposit, Special (already closed to Accumulated Surplus/(Deficit) by the OEO-HLURB)</i>	<u>1,770,981</u>
Difference/Unreconciled Balance	<u>533,950,978</u>

The difference/unreconciled balance represents the accumulated remittances already closed to the Accumulated Surplus/(Deficit) by the collecting NGAs but remained open/unadjusted in the BTr-NG books. This was temporarily closed to Accumulated Surplus/(Deficit) by the COA-GAS to reflect the actual cash position of the NG.

iii. Cash-Treasury/Agency Deposit, Trust

This pertains to collections of various NGAs for trust receipts and trust funds that were remitted to the National Treasury. The difference of P29.73 billion between the BTr-NG and NGAs' books of accounts is shown below.

Account	Amount (in thousand pesos)
Cash-Treasury/Agency Deposit, Trust (reported in Pre-Closing Trial Balance by the BTr-NG)	66,306,490
<i>Less: Cash-Treasury/Agency Deposit, Trust (reported by the NGAs in the SFPos)</i>	<u>36,574,229</u>
Difference/Unreconciled Balance	<u>29,732,261</u>

The difference/unreconciled balance represents the accumulated remittances already utilized by the remitting NGAs but remained open/unadjusted in the BTr-NG books. This was temporarily closed to Accumulated Surplus/ (Deficit) by the COA-GAS to reflect the actual cash position of the NG.

iv. Cash-Tax Remittance Advice

This pertains to constructive receipt and remittance of taxes to the BIR and BOC thru TRA, detailed as follows:

Account	Amount (in thousand pesos)
Cash-Tax Remittance Advice (reported by the BTr-NG)	117,505,051
<i>Less: Cash-Tax Remittance Advice (reported by the BIR and BOC)</i>	<u>98,403,170</u>
Difference/Unreconciled Balance	<u>19,101,881</u>

v. Cash-Constructive Income Remittance

This pertains to the constructive remittance of income by FSPs, detailed as follows:

Account	Amount (in thousand pesos)
Cash- Constructive Income Remittance (reported by the BTr-NG)	4,210,820

Account	Amount (in thousand pesos)
Less: Cash- Constructive Income Remittance (reported by the DFA)	<u>5,940,371</u>
Difference/Unreconciled Balance	<u>(1,729,551)</u>

c. Others

i. Accumulated Surplus/(Deficit)

This pertains to direct adjustments to Net Assets/Equity which are not revenues or expenses such as transfer of PPE from one unit of the agency to another directly charged to Accumulated Surplus/(Deficit). The departments/offices that reported significant other adjustments on the Accumulated Surplus/(Deficit) are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
Positive Adjustments		
Education	10,889,204	45.85
National Defense	7,973,546	33.57
Foreign Affairs	3,421,371	14.40
Other Departments/Offices	<u>1,467,649</u>	<u>6.18</u>
Sub-Total	<u>23,751,770</u>	<u>100.00</u>
Negative Adjustments		
Finance	(496,540,316)	61.29
Public Works and Highways	(243,833,666)	30.10
Health	(18,295,444)	2.26
Agriculture	(13,247,573)	1.63
Transportation	(9,258,058)	1.14
Other Departments/Offices	<u>(28,981,911)</u>	<u>3.58</u>
Sub-Total	<u>(810,156,968)</u>	<u>100.00</u>
Net Other Adjustments	<u>(786,405,198)</u>	

Of the net other adjustments by the DOF, P484.81 billion pertains to the temporary adjustments to Cash-Treasury/Agency, Special Account of P477.61 billion and Cash-Treasury/Agency, Trust of P7.20 billion made by COA-GAS in the restated 2018 SFPos and SCNAE of BTr-NG.

ii. Unrealized Gain/(Loss) from Changes in the Fair Value of Financial Assets

Below are the departments/office that reported other adjustments on this account.

Department/Office	Amount (in thousand pesos)	Percent to Total
Finance	57,907,033	99.82
Other Executive Offices	97,533	0.17
Education	<u>7,333</u>	<u>0.01</u>
Total	<u>58,011,899</u>	<u>100.00</u>

The other adjustment of DOF was reported by the BTr-NG. This pertains to changes in the fair value of financial assets of BSF, SGF, and SSF investments in government securities which are classified as available-for-sale financial assets and NG holdings in the capital stocks of Philippine Airlines.

Among the agencies under the OEO, only the NCCA reported other adjustments. This pertains to the increase in fair value of the funds managed by the BTr for T-Bills and T-Bonds. For DepEd, the other adjustments was reported by the NBDB. This pertains to the net amount of unrealized gain/loss resulting from the investments under the National Book Development Board Trust Fund account managed by the LBP.

31. TAX REVENUE

This group of accounts is composed of the following:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Tax Revenue-Individual and Corporation		
Income Tax	1,099,198,588	997,620,184
Immigration Tax	<u>242,968</u>	<u>165,153</u>
Total Tax Revenue-Individual and Corporation	<u>1,099,441,556</u>	<u>997,785,338</u>
Tax Revenue-Property		
Estate Tax	2,721,124	2,611,475
Donors Tax	3,281,736	2,871,173
Capital Gains Tax	<u>32,084,710</u>	<u>29,788,771</u>
Total Tax Revenue-Property	<u>38,087,570</u>	<u>35,271,418</u>
Tax Revenue-Goods and Services		
Import Duties	83,361,831	80,361,765
Excise Tax	450,404,925	390,845,815
Business Tax	974,135,494	901,008,439
Tax on Forest Products	<u>16,352</u>	<u>11,457</u>
Total Tax Revenue-Goods and Services	<u>1,507,918,602</u>	<u>1,372,227,475</u>
Tax Revenue-Others		
Documentary Stamp Tax	138,461,483	132,622,823
Motor Vehicles Users' Charge	17,814,102	16,633,744
Other Taxes	<u>34,502,014</u>	<u>19,673,755</u>
Total Tax Revenue-Others	<u>190,777,599</u>	<u>168,930,322</u>
Tax Revenue-Fines and Penalties		
Tax Revenue-Fines and Penalties-Taxes on Individual and Corporation	2,063,183	1,862,928
Tax Revenue-Fines and Penalties-Property Taxes	459,767	585,119
Tax Revenue-Fines and Penalties-Taxes on Goods and Services	730,449	722,448
Tax Revenue-Fines and Penalties-Other Taxes	<u>2,490,946</u>	<u>2,533,115</u>
Total Tax Revenue-Fines and Penalties	<u>5,744,346</u>	<u>5,703,610</u>
Total Tax Revenue	<u>2,841,969,672</u>	<u>2,579,918,162</u>

31.1. Tax Revenue–Individual and Corporation

The DOF-BIR reported the Income Tax, while the DOJ-Bureau of Immigration (BI) reported the Immigration Tax.

31.2. Tax Revenue–Property

The DOF-BIR reported the property tax. Property tax is composed of Capital Gains Tax, Donors Tax, and Estate Tax.

31.3. Tax Revenue–Goods and Services

The DOF-BIR and BOC reported collections on import duties, excise taxes, and business taxes amounting to P868.08 billion and P639.82 billion, respectively. DENR-Propert reported the collections on taxes on forest products.

31.4. Tax Revenue–Others

Of the total tax revenue-others of P190.78 billion, the DOF-BIR registered 72.58 percent collections from Documentary Stamp Tax and 18.09 percent from other taxes. The DPWH-Propert reported revenues from Motor Vehicle Users' Charge representing 9.34 percent.

31.5. Tax Revenue–Fines and Penalties

DOF-BIR reported P5.52 billion or 96.13 percent, while the balance of P222.21 million or 3.87 percent was shared by the DOF-BOC and DOTr-Propert.

32. SERVICE AND BUSINESS INCOME

The composition of this group of accounts is as follows:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Service Income		
Permit Fees	2,463,470	1,434,219
Registration Fees	17,564,906	17,918,995
Registration Plates, Tags and Stickers Fees	916,935	1,236,614
Clearance and Certification Fees	5,288,272	4,115,917
Franchising Fees	154,145	170,261
Licensing Fees	4,925,826	4,855,480
Supervision and Regulation Enforcement Fees	5,098,831	4,892,241
Spectrum Usage Fees	4,669,518	3,786,009
Legal Fees	2,981,238	3,026,824
Inspection Fees	1,039,529	926,354
Verification and Authentication Fees	3,122,098	3,125,183
Passport and Visa Fees	8,191,051	8,297,302
Processing Fees	5,485,168	4,141,000
Fines and Penalties-Service Income	2,362,695	1,929,466
Other Service Income	<u>24,142,609</u>	<u>21,854,907</u>

Particulars	2019	2018 (Restated)
	(in thousand pesos)	
Total Service Income	<u>88,406,292</u>	<u>81,710,771</u>
Business Income		
School Fees	13,522,069	12,897,075
Affiliation Fees	82,359	84,216
Examination Fees	1,320,499	1,207,366
Seminar/Training Fees	1,256,101	1,052,747
Rent/Lease Income	1,462,505	1,425,973
Communication Network Fees	5,572	4,460
Transportation System Fees	1,133,466	4
Road Network Fees	18,767	34,127
Waterworks System Fees	2,878	2,878
Power Supply System Fees	1,336	753
Landing and Parking Fees	2,441	714
Income from Hostels/Dormitories and Other Like Facilities	582,277	681,069
Slaughterhouse Operation	725	838
Income from Printing and Publication	83,646	79,226
Sales Revenue	18,795,828	16,568,909
Sales Discounts	(179,405)	(111,130)
Cost of Sales	<u>(18,105,574)</u>	<u>(15,644,720)</u>
Net Sales	<u>510,849</u>	<u>813,059</u>
Hospital Fees	21,589,379	18,086,143
Guarantee Income	4,483,199	3,130,407
Fidelity Insurance Income	1,172,308	1,129,983
Dividend Income	53,463,439	41,146,232
Interest Income	68,315,495	53,335,343
Share in the Profit of Joint Venture	600,801	871,679
Fines and Penalties - Business Income	649,133	1,497,173
Service Concession Revenue	24,740	13,562
Other Business Income	<u>5,968,786</u>	<u>8,188,381</u>
Total Business Income	<u>176,252,771</u>	<u>145,683,408</u>
Total Service and Business Income	<u>264,659,063</u>	<u>227,394,179</u>

32.1. Service Income

The departments/offices which reported significant amount of Service Income are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
Justice	20,973,680	23.72
Transportation	10,623,829	12.02
Foreign Affairs	10,068,882	11.39
Finance	9,444,270	10.68
Information and Communication Technology	7,627,217	8.63
Labor and Employment	6,314,699	7.14
Interior and Local Government	3,669,601	4.15
The Judiciary	3,087,402	3.49
Other Executive Offices	2,250,846	2.55
Budget and Management	<u>2,062,408</u>	<u>2.33</u>
Sub total	<u>76,122,833</u>	<u>86.11</u>
Other Departments/Offices	<u>12,283,459</u>	<u>13.89</u>
Total	<u>88,406,292</u>	<u>100.00</u>

The amount reported by the DOJ was mostly shared by the BI and the LRA at P10.28 billion and P9.63 billion, respectively.

The top components of this group of accounts are the following:

- a. Registration Fees represents 19.87 percent of the total service income, of which the biggest amount was shared by the following departments/offices: DOJ-LRA – P9.63 billion, DOF-SEC – P2.69 billion and DOF-BIR – P1.51 billion;
- b. Clearance and Certification Fees represents 5.98 percent of the total, the biggest of which was reported by the following department/offices: DOJ-BI – P1.69 billion, DOF-BIR – 1.61 billion, DOJ-NBI – P772.98 million, DILG-PNP – P258.78 million, and DOF-Insurance Commission (IC) – P66.51 million;
- c. Passport and Visa Fees represents 9.27 percent, of which P8.14 billion or 99.34 percent was reported by the DFA, followed by DOJ-BI amounting to P51.43 million or 0.63 percent and DTI-BOI of P2.41 million or 0.03 percent;
- d. Processing Fees represents 6.20 percent. The total fees was reported mainly by the following department/offices: DOJ-BI – P3.16 billion, DOF-BOC – P773.28 million, OEO- Housing and Land Use Regulatory Board (HLURB) – P535.78 million, DOLE-Philippine Overseas Employment Administration (POEA) – P307.89 million, and DTI-Construction Industry Authority of the Philippines (CIAP) – P144.27 million; and
- e. Other Service Income had the biggest share of 27.31 percent of the total service income, which was reported substantially by the following departments/offices: DOJ-BI – P4.90 billion, DOLE-Overseas Workers Welfare Administration (OWWA) – P1.85 billion, DOF-BOC – P1.74 billion, DILG-Bureau of Fire Protection (BFP) – P1.84 billion, and DBM-PS – P1.77 billion.

32.2. *Business Income*

The departments/offices which reported balances of this account are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
Finance	129,519,023	73.48
Health	21,146,580	12.00
State Universities and Colleges	17,770,680	10.08
Labor and Employment	1,289,995	0.73
Environment and Natural Resources	1,053,413	0.60
Education	945,707	0.54
Trade and Industry	706,244	0.40
Civil Service Commission	620,716	0.35
National Defense	540,364	0.31
Presidential Communications Operations Office	<u>452,118</u>	<u>0.26</u>

Department/Office	Amount (in thousand pesos)	Percent to Total
Sub total	174,044,839	98.75
Other Departments/Offices	<u>2,207,932</u>	<u>1.25</u>
Total	<u>176,252,771</u>	<u>100.00</u>

Of the total business income of DOF, BTr NG reported P126.97 billion or 98.03 percent consisting of: Interest Income – P65.13 billion; Dividend Income – P53.45 billion; Guarantee Income – P4.48 billion; Other Business Income – P2.62 billion; Transportation Systems Fees – P1.13 billion; Rent/Lease Income – P144.47 million; and Fines and Penalties-Business Income – P11.73 million.

Other sources of business income with significant amount were Hospital Fees and School Fees of P21.59 billion or 12.25 percent and P13.52 billion or 7.67 percent, respectively. Total collections of Hospital Fees were shared mostly by the DOH-Proper of P20.12 billion and SUCs-UPS (Philippine General Hospital) of P1.06 billion. Total School Fees were reported mainly by the following SUCs: Cebu Technological University – P630.03 million, Cavite State University – P584.40 million, and Batangas State University – P525.48 million.

33. SHARES, GRANTS AND DONATIONS

The components of this group of accounts are as follows:

Particulars	2019	2018 (Restated)
	(in thousand pesos)	
Shares		
Share from National Wealth	33,125,820	31,445,066
Share from PAGCOR/PCSO	51,423,036	49,032,199
Share from Earnings of GOCCs	<u>2,544,866</u>	<u>2,484,152</u>
Sub-total	<u>87,093,721</u>	<u>82,961,417</u>
Grants and Donations		
Income from Grants and Donations in Cash	1,229,138	2,195,178
Income from Grants and Donations in Kind	<u>1,935,951</u>	<u>3,591,542</u>
Sub-total	<u>3,165,089</u>	<u>5,786,720</u>
Total	<u>90,258,810</u>	<u>88,748,138</u>

33.1. *Share from National Wealth*

Share from National Wealth represents government's share on royalties, production share on service contracts and other similar income from the exploration, development and utilization of natural resources.

Of the total Share from National Wealth, DOE reported significantly the amount of P31.26 billion, which form part of the SAGF to finance energy resource development and exploration programs and other government projects.

33.2. *Share from PAGCOR/PCSO*

This account represents share of government agencies from receipts of PAGCOR and Philippine Charity Sweepstakes Office (PCSO), detailed as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
Finance	35,461,704	68.96
Office of the President	12,000,000	23.34
Other Executive Offices	<u>3,318,039</u>	<u>6.45</u>
Philippine Sports Commission	3,112,939	6.05
National Commission for Culture and Arts	100,000	0.19
Dangerous Drugs Board	60,000	0.12
Philippine Drug Enforcement Agency	45,100	0.09
Education	<u>500,000</u>	<u>0.97</u>
Early Childhood Care and Development Council	500,000	0.97
Interior and Local Government	<u>142,290</u>	<u>0.28</u>
Philippine National Police	142,290	0.28
Health	<u>1,002</u>	<u>0.00</u>
Total	<u>51,423,036</u>	<u>100.00</u>

The DOF-BTr NG and the OP-Proper reported P35.46 billion and P12.00 billion, respectively.

33.3. *Share from Earnings of GOCCs*

Share from Earnings of GOCCs represents mandatory/statutory shares of government agencies from earnings of GOCCs other than PAGCOR and PCSO.

The recipient departments/offices are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
Finance-BTr NG	1,796,410	70.59
Other Executive Offices	<u>699,312</u>	<u>27.48</u>
National Commission for Culture and Arts	697,332	27.40
Dangerous Drugs Board	1,980	0.08
Tourism	49,144	1.93
Total	<u>2,544,866</u>	<u>100.00</u>

33.4. *Income from Grants and Donations*

The recipient departments/offices are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
State Universities and Colleges	995,336	31.45
Health	677,782	21.41
Finance	321,205	10.15
Public Works and Highways	272,880	8.62
Education	201,960	6.38
Interior and Local Government	140,019	4.42
National Defense	114,751	3.63

Department/Office	Amount (in thousand pesos)	Percent to Total
Social Welfare and Development	105,566	3.34
Other Executive Offices	84,550	2.67
Transportation	81,567	2.58
Sub-total	2,995,616	94.65
Other Departments/Offices	169,473	5.35
Total	<u>3,165,089</u>	<u>100.00</u>

For the SUCs, the Cavite State University reported the highest amount of P364.44 million or 36.61 percent. Under the DOH, DOH-Proper shared P675.87 million or 99.72 percent. For the DOF, BTr NG reported P259.40 million or 80.76 percent.

34. MISCELLANEOUS INCOME

This group of accounts consists of the following:

Particulars	2019	2018 (Restated)
	(in thousand pesos)	
Proceeds from Insurance/Indemnities	88,248	20,236
Miscellaneous Income	<u>2,482,181</u>	<u>2,128,456</u>
Total	<u>2,570,429</u>	<u>2,148,692</u>

The departments/offices which reported balances of this accounts are the following:

Department/Office	Amount (in thousand pesos)	Percent to Total
Public Works and Highways	682,094	26.54
Transportation	521,015	20.27
National Defense	379,205	14.75
Finance	284,417	11.06
Health	270,639	10.53
Agriculture	74,113	2.88
Education	66,532	2.59
State Universities and Colleges	65,768	2.56
Social Welfare and Development	53,181	2.07
Foreign Affairs	46,965	1.83
Sub-total	2,443,929	95.08
Other Departments/Offices	126,500	4.92
Total	<u>2,570,429</u>	<u>100.00</u>

35. GAINS

This group of accounts consists of the following:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Gain on Initial Recognition of Biological Assets	14,221	21,174
Gain on Sale of Biological Assets	9,950	7,798
Gain from Changes in Fair Value Less Cost to Sell of Biological Assets Due to Physical Change	53,200	28,711
Gain from Changes in Fair Value Less Cost to Sell of Biological Assets Due to Price Change	213	167
Gain on Sale of Agricultural Produce	20,019	11,745
Gain on Initial Recognition of Agricultural Produce	<u>16,898</u>	<u>9,882</u>
Total	<u>114,502</u>	<u>79,476</u>

Of the total gains, the DA reported the highest at P92.05 million or 80.39 percent, followed by SUCs at P20.50 million or 17.91 percent.

36. PERSONNEL SERVICES

The details are shown below:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Salaries and Wages	599,205,438	534,718,561
Other Compensation	285,907,145	275,053,328
Personnel Benefit Contributions	64,819,370	56,487,379
Other Personnel Benefits	<u>194,885,912</u>	<u>147,236,428</u>
Total	<u>1,144,817,865</u>	<u>1,013,495,695</u>

As shown in the following table, the DepEd was the biggest spending department for PS.

Department/Office	Amount <i>(in thousand pesos)</i>	Percent to Total
Education	411,270,156	35.93
Interior and Local Government	246,837,179	21.56
National Defense	191,526,839	16.73
State Universities and Colleges	50,248,154	4.39
Health	47,536,314	4.15
The Judiciary	33,865,955	2.96
Justice	19,378,857	1.69
Bangsamoro Autonomous Region in Muslim Mindanao	14,250,938	1.25
Transportation	13,457,948	1.18
Public Works and Highways	<u>12,862,202</u>	<u>1.12</u>
Sub-total	1,041,234,542	90.95
Other Departments/Offices	<u>103,583,323</u>	<u>9.05</u>
Total	<u>1,144,817,865</u>	<u>100.00</u>

36.1. *Salaries and Wages*

Total salaries and wages constituted 52.34 percent of the total PS, of which 95.64 percent was paid to regular civilian employees and uniformed personnel, while 4.36 percent was paid to casual/contractual personnel, as shown in the following table:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Salaries and Wages - Regular	573,070,514	522,685,496
Salaries and Wages - Casual/Contractual	<u>26,134,924</u>	<u>12,033,065</u>
Total	<u>599,205,438</u>	<u>534,718,561</u>

The breakdown by department/office is shown below:

Department/Office	Amount <i>(in thousand pesos)</i>	Percent to Total
Education	272,780,964	45.52
Interior and Local Government	99,817,260	16.66
National Defense	60,486,746	10.09
State Universities and Colleges	30,121,489	5.03
Health	27,046,016	4.51
The Judiciary	12,230,441	2.04
Justice	11,955,054	2.00
Public Works and Highways	9,014,821	1.50
Bangsamoro Autonomous Region in Muslim Mindanao	8,977,734	1.50
Transportation	<u>7,159,025</u>	<u>1.20</u>
Sub-total	539,589,548	90.05
Other Departments/Offices	<u>59,615,890</u>	<u>9.95</u>
Total	<u>599,205,438</u>	<u>100.00</u>

The DepEd-Proper reported P272.61 billion or 99.94 percent. Under DILG, the PNP recognized P80.06 billion or 80.21 percent, and the PA under the DND shared P38.56 billion or 63.76 percent.

36.2. *Other Compensation*

The details are as follows:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Personal Economic Relief Allowance (PERA)	40,792,870	38,209,161
Representation Allowance (RA)	2,255,115	2,221,732
Transportation Allowance (TA)	1,986,169	1,956,011
Clothing/Uniform Allowance	11,726,644	11,177,827
Subsistence Allowance	25,629,954	24,283,710
Laundry Allowance	363,319	319,973
Quarters Allowance	2,197,207	2,046,987
Productivity Incentive Allowance	577,515	595,823
Overseas Allowance	6,416,754	6,282,627
Honoraria	3,535,224	3,350,625
Hazard Pay	11,912,824	9,834,165

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Longevity Pay	31,186,800	28,249,199
Overtime and Night Pay	1,933,486	2,251,227
Year End Bonus	71,832,964	67,120,085
Cash Gift	8,421,693	7,546,220
Other Bonuses and Allowances	<u>65,138,606</u>	<u>69,607,956</u>
Total	<u>285,907,145</u>	<u>275,053,328</u>

The departments/offices which reported balances of this account are as follows:

Department/Office	Amount <i>(in thousand pesos)</i>	Percent to Total
Education	89,220,091	31.21
Interior and Local Government	75,791,852	26.51
National Defense	48,352,074	16.91
Health	13,410,650	4.69
State Universities and Colleges	13,225,395	4.63
Foreign Affairs	5,553,669	1.94
Justice	4,227,213	1.48
Transportation	4,057,588	1.42
The Judiciary	4,057,490	1.42
Bangsamoro Autonomous Region in Muslim Mindanao	<u>2,714,185</u>	<u>0.95</u>
Sub-total	260,610,206	91.15
Other Departments/Offices	<u>25,296,939</u>	<u>8.85</u>
Total	<u>285,907,145</u>	<u>100.00</u>

The DepEd-Proper reported P89.17 billion or 99.94 percent. For the DILG, the PNP recognized P64.46 billion or 85.05 percent and PA of the DND shared P31.74 billion or 65.64 percent.

36.3. *Personnel Benefit Contributions*

The details are as follows:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Retirement and Life Insurance Premiums	53,178,128	45,847,635
Pag-IBIG Contributions	2,306,551	2,153,121
PhilHealth Contributions	7,094,778	6,409,926
Employees Compensation Insurance Premiums	2,127,581	1,983,107
Provident/Welfare Fund Contributions	<u>112,332</u>	<u>93,590</u>
Total	<u>64,819,370</u>	<u>56,487,379</u>

The departments/offices which reported balances of this account are as follows:

Department/Office	Amount <i>(in thousand pesos)</i>	Percent to Total
Education	38,073,448	58.74
Health	5,382,551	8.30
State Universities and Colleges	4,069,941	6.28
Interior and Local Government	2,689,648	4.15

Department/Office	Amount (in thousand pesos)	Percent to Total
National Defense	1,470,213	2.27
The Judiciary	1,317,573	2.03
Bangsamoro Autonomous Region in Muslim Mindanao	1,178,202	1.82
Justice	1,010,804	1.56
Budget and Management	905,349	1.40
Public Works and Highways	891,289	1.38
Sub-total	56,989,018	87.92
Other Departments/Offices	7,830,352	12.08
Total	64,819,370	100.00

The DepEd-Proper reported P38.05 billion or 99.94 percent.

36.4. *Other Personnel Benefits*

The details of this account are the following:

Particulars	2019	2018 (Restated)
	(in thousand pesos)	
Pension Benefits	126,970,974	92,055,858
Retirement Gratuity	8,115,422	9,653,498
Terminal Leave Benefits	23,975,607	20,599,830
Other Personnel Benefits	35,823,909	24,927,242
Total	194,885,912	147,236,428

This group of accounts was reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
National Defense	81,217,806	41.68
Interior and Local Government	68,538,419	35.17
The Judiciary	16,260,452	8.34
Education	11,195,654	5.75
State Universities and Colleges	2,831,329	1.45
Justice	2,185,787	1.12
Transportation	1,852,518	0.95
Health	1,697,098	0.87
Bangsamoro Autonomous Region in Muslim Mindanao	1,380,817	0.71
Commission on Audit	1,148,292	0.58
Sub-total	188,308,171	96.63
Other Departments/Offices	6,577,741	3.37
Total	194,885,912	100.00

Of the total for the DND, GHQ-AFP reported P61.35 billion or 75.54 percent, while for the DILG, PNP recognized P58.84 billion or 85.85 percent.

37. MAINTENANCE AND OTHER OPERATING EXPENSES

The details of MOOE are as follows:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Traveling Expenses	16,111,842	14,952,902
Training and Scholarship Expenses	29,648,924	30,094,572
Supplies and Materials Expenses	84,050,788	84,751,465
Utility Expenses	16,462,093	16,129,891
Communication Expenses	5,782,722	5,221,207
Awards/Rewards and Prizes	830,647	826,997
Survey, Research, Exploration and Development Expenses	1,873,194	1,650,824
Demolition/Relocation and Desilting/Dredging Expenses	423,864	310,295
Generation, Transmission and Distribution Expenses	10,218	16,472
Confidential, Intelligence and Extraordinary Expenses	13,465,807	11,438,507
Professional Services	30,222,063	35,477,368
General Services	19,099,186	17,225,296
Repairs and Maintenance	29,232,893	35,016,261
Taxes, Insurance Premiums and Other Fees	32,901,958	23,878,081
Labor and Wages	4,090,050	3,805,755
Other Maintenance and Operating Expenses	<u>193,014,942</u>	<u>192,018,342</u>
Total	<u>477,221,191</u>	<u>472,814,233</u>

The departments/offices which reported balances of this accounts are as follows:

Department/Office	Amount <i>(in thousand pesos)</i>	Percent to Total
Social Welfare and Development	117,117,935	24.54
Education	41,317,408	8.86
Health	34,392,112	7.21
Finance	31,629,787	6.63
National Defense	30,646,835	6.42
Other Executive Offices	30,388,650	6.37
Interior and Local Government	24,877,536	5.21
Transportation	22,195,265	4.65
State Universities and Colleges	19,947,692	4.18
Agriculture	<u>17,526,886</u>	<u>3.67</u>
Sub-total	370,040,106	77.54
Other Departments/Offices	<u>107,181,085</u>	<u>22.46</u>
Total	<u>477,221,191</u>	<u>100.00</u>

37.1. *Traveling Expenses*

This group of accounts consists of the following:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Traveling Expenses-Local	13,592,760	12,265,859
Traveling Expenses-Foreign	<u>2,519,082</u>	<u>2,687,043</u>
Total	<u>16,111,842</u>	<u>14,952,902</u>

These expenses are reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
Education	2,494,716	15.48
Agriculture	1,188,214	7.38
National Defense	1,082,348	6.72
State Universities and Colleges	1,037,476	6.44
Other Executive Offices	1,005,763	6.24
Social Welfare and Development	1,005,189	6.24
Environment and Natural Resources	878,689	5.45
Health	801,224	4.97
Interior and Local Government	756,251	4.69
Congress of the Philippines	671,759	4.17
Sub-total	10,921,630	67.79
Other Departments/Offices	5,190,212	32.21
Total	16,111,842	100.00

The DepEd-Proper reported P2.47 billion or 98.86 percent, while the DA-Proper registered P692.68 million or 58.30 percent.

37.2. Training and Scholarship Expenses

The details are as follows:

Particulars	2019	2018 (Restated)
	(in thousand pesos)	
Training Expenses	19,767,734	20,145,134
Scholarship Grants/Expenses	9,881,191	9,949,438
Total	29,648,924	30,094,572

The departments/offices which reported balances of this accounts are the following:

Department/Office	Amount (in thousand pesos)	Percent to Total
Education	5,804,577	19.58
Trade and Industry	5,001,572	16.87
Other Executive Offices	2,469,661	8.33
Agriculture	2,102,929	7.09
Health	1,991,785	6.72
State Universities and Colleges	1,927,410	6.50
Science and Technology	1,721,496	5.81
Interior and Local Government	1,693,352	5.71
Social Welfare and Development	1,276,278	4.31
Commission on Elections	1,105,790	3.73
Sub-total	25,094,851	84.64
Other Departments/Offices	4,554,073	15.36
Total	29,648,924	100.00

The DepEd-Proper reported P5.77 billion or 99.44 percent, while for the TESDA of DTI recognized P4.51 billion or 90.08 percent.

37.3. *Supplies and Materials Expenses*

This group of accounts consist of the following:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Office Supplies Expenses	13,335,738	12,820,782
Accountable Forms Expenses	5,121,596	4,500,218
Non-Accountable Forms Expenses	55,876	38,802
Animal/Zoological Supplies Expenses	233,636	205,149
Food Supplies Expenses	9,644,489	10,164,904
Welfare Goods Expenses	1,119,118	886,408
Drugs and Medicines Expenses	8,301,355	8,044,835
Medical, Dental and Laboratory Supplies Expenses	9,953,145	8,206,544
Fuel, Oil and Lubricants Expenses	10,183,020	11,585,638
Agricultural and Marine Supplies Expenses	2,375,693	3,369,853
Textbooks and Instructional Materials Expenses	2,905,565	2,782,258
Military, Police and Traffic Supplies Expenses	1,124,465	2,827,992
Chemical and Filtering Supplies Expenses	100,433	123,783
Semi-Expendable Machinery and Equipment Expenses	2,769,495	2,560,892
Semi-Expendable Furniture, Fixtures and Books Expenses	1,971,952	1,600,313
Other Supplies and Materials Expenses	<u>14,855,210</u>	<u>15,033,094</u>
Total	<u>84,050,788</u>	<u>84,751,465</u>

The departments/offices which reported balances are as follows:

Department/Office	Amount <i>(in thousand pesos)</i>	Percent to Total
Health	17,699,385	21.06
Education	15,875,562	18.89
Interior and Local Government	15,061,341	17.92
National Defense	9,094,674	10.82
State Universities and Colleges	4,018,117	4.78
Agriculture	3,741,865	4.52
Foreign Affairs	3,660,457	4.36
Transportation	2,813,698	3.35
Public Works and Highways	2,496,993	2.97
Justice	<u>1,839,643</u>	<u>2.19</u>
Sub-total	76,301,735	90.78
Other Departments/Offices	<u>7,749,053</u>	<u>9.22</u>
Total	<u>84,050,788</u>	<u>100.00</u>

The DOH-Proper reported significantly P17.63 billion or 99.63 percent, while the DepEd-Proper recognized P15.84 billion or 99.81 percent and for the DILG, the PNP reported P9.52 billion or 63.19 percent.

37.4. *Utility Expenses*

The details are as follows:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Water Expenses	2,992,449	3,048,863
Electricity Expenses	13,453,534	13,071,978
Gas/Heating Expenses	7,129	5,411
Other Utility Expenses	8,981	3,639
Total	<u>16,462,093</u>	<u>16,129,891</u>

The balance was reported by the following departments/offices:

Department/Office	Amount <i>(in thousand pesos)</i>	Percent to Total
Education	3,503,245	21.28
State Universities and Colleges	2,262,108	13.74
National Defense	2,153,227	13.08
Health	1,919,180	11.66
Interior and Local Government	1,582,522	9.61
Transportation	587,011	3.57
Finance	479,021	2.91
The Judiciary	406,313	2.47
Agriculture	405,374	2.46
Environment and Natural Resources	295,476	1.80
Sub-total	13,593,477	82.57
Other Departments/Offices	2,868,616	17.43
Total	<u>16,462,093</u>	<u>100.00</u>

The DepEd-Proper reported P3.44 billion or 98.29 percent. Among the 114 SUCs, the UPS recognized the highest of P642.16 million or 28.39 percent, while for DND, the PA reported P588.28 million or 27.32 percent.

37.5. *Communication Expenses*

The details of the account are as follows:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Postage and Courier Services	413,050	423,078
Telephone Expenses	2,433,727	2,390,150
Internet Subscription Expenses	2,554,167	2,120,785
Cable, Satellite, Telegraph and Radio Expenses	381,778	287,195
Total	<u>5,782,722</u>	<u>5,221,207</u>

This group of accounts was reported by the following departments/offices:

Department/Office	Amount <i>(in thousand pesos)</i>	Percent to Total
Education	924,946	16.00
State Universities and Colleges	588,279	10.17

Department/Office	Amount (in thousand pesos)	Percent to Total
Science and Technology	547,801	9.47
National Defense	538,232	9.31
Interior and Local Government	439,658	7.60
Health	236,967	4.10
Finance	223,578	3.87
Agriculture	201,413	3.48
Environment and Natural Resources	175,138	3.03
Congress of the Philippines	<u>168,171</u>	<u>2.91</u>
Sub-total	4,044,183	69.94
Other Departments/Offices	<u>1,738,539</u>	<u>30.06</u>
Total	<u>5,782,722</u>	<u>100.00</u>

37.6. Awards/Rewards and Prizes

This group of accounts consist of the following:

Particulars	2019	2018 (Restated)
	(in thousand pesos)	
Awards/Rewards Expenses	527,161	494,156
Prizes	302,879	332,397
Indemnities	<u>607</u>	<u>444</u>
Total	<u>830,647</u>	<u>826,997</u>

The balance was reported by the following departments/offices:

Department/Office	Amount (in thousand pesos)	Percent to Total
State Universities and Colleges	238,591	28.72
Other Executive Offices	206,558	24.87
Agriculture	161,850	19.49
Health	58,318	7.02
Science and Technology	43,425	5.23
Interior and Local Government	42,376	5.10
Education	25,597	3.08
National Defense	18,813	2.27
Civil Service Commission	8,961	1.08
Trade and Industry	<u>6,252</u>	<u>0.75</u>
Sub-total	810,741	97.60
Other Departments/Offices	<u>19,906</u>	<u>2.40</u>
Total	<u>830,647</u>	<u>100.00</u>

Of the 114 SUCs, the UPS recognized the highest of P138.14 million or 57.90 percent, while for OEO, the Philippine Racing Commission reported P114.54 million or 55.45 percent.

37.7. *Survey, Research, Exploration and Development Expenses*

This group of accounts consists of the following:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Survey Expenses	810,340	1,005,805
Research, Exploration and Development Expenses	<u>1,062,854</u>	<u>645,019</u>
Total	<u>1,873,194</u>	<u>1,650,824</u>

The departments/offices which reported balances of this account are the following:

Department/Office	Amount <i>(in thousand pesos)</i>	Percent to Total
Public Works and Highways	1,167,209	62.31
Education	232,650	12.42
State Universities and Colleges	167,735	8.96
National Economic Development Authority	108,091	5.77
Agrarian Reform	67,826	3.62
Environment and Natural Resources	51,548	2.75
Other Executive Offices	44,949	2.40
Science and Technology	16,063	0.86
Metropolitan Manila Development Authority	10,526	0.56
National Defense	<u>2,305</u>	<u>0.12</u>
Sub-total	1,868,902	99.77
Other Departments/Offices	<u>4,292</u>	<u>0.23</u>
Total	<u>1,873,194</u>	<u>100.00</u>

The DPWH-Proper reported P1.17 billion.

37.8. *Demolition/Relocation and Desilting/Dredging Expenses*

This group of accounts consists of the following:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Demolition and Relocation Expenses	10,756	85,395
Desilting and Dredging Expenses	<u>413,108</u>	<u>224,900</u>
Total	<u>423,864</u>	<u>310,295</u>

The departments/offices which reported balances of this account are the following:

Department/Office	Amount <i>(in thousand pesos)</i>	Percent to Total
Metro Manila Development Authority	412,695	97.37
Other Executive Offices	6,110	1.44
Public Works and Highways	2,853	0.67
State Universities and Colleges	1,408	0.33
Education	785	0.19
National Defense	12	0.01

Department/Office	Amount (in thousand pesos)	Percent to Total
Agriculture	1	0.00
Total	<u>423,864</u>	<u>100.00</u>

37.9. *Generation, Transmission and Distribution Expenses*

Of the total of P10.22 million, Mindanao State University System and Capiz State University reported P9.92 million or 97.08 percent and P298 thousand or 2.92 percent, respectively.

37.10. *Confidential, Intelligence and Extraordinary Expenses*

This group of accounts consists of the following:

Particulars	2019	2018 (Restated)
	(in thousand pesos)	
Confidential Expenses	2,570,012	2,329,717
Intelligence Expenses	6,120,238	5,788,496
Extraordinary and Miscellaneous Expenses	<u>4,775,556</u>	<u>3,320,294</u>
Total	<u>13,465,806</u>	<u>11,438,507</u>

The departments/offices which reported balances of this account are the following:

Department/Office	Amount (in thousand pesos)	Percent to Total
Congress of the Philippines	3,980,500	29.56
National Defense	3,087,481	22.93
Office of the President	2,410,957	17.90
Interior and Local Government	1,794,014	13.32
Other Executive Offices	752,701	5.59
Information and Communication Technology	307,314	2.28
Justice	279,086	2.07
The Judiciary	268,522	2.00
Finance	90,935	0.68
Bangsamoro Autonomous Region in Muslim Mindanao	<u>82,674</u>	<u>0.61</u>
Sub-total	13,054,183	96.94
Other Departments/Offices	<u>411,623</u>	<u>3.06</u>
Total	<u>13,465,806</u>	<u>100.00</u>

Of the total for Congress of the Philippines, the House of Representative recognized P3.57 billion or 89.78 percent, while the DND, the GHQ-AFP reported P2.54 billion or 82.24 percent, and the OP-Proper reported P2.41 billion.

37.11. *Professional Services*

This group of accounts, the fourth major component of MOOE, consist of the following:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Legal Services	578,589	329,998
Auditing Services	94,755	87,767
Consultancy Services	6,785,551	5,020,544
Other Professional Services	<u>22,763,168</u>	<u>30,039,059</u>
Total	<u>30,222,063</u>	<u>35,477,368</u>

The departments/offices which reported balances of this account are the following:

Department/Office	Amount <i>(in thousand pesos)</i>	Percent to Total
Health	5,137,500	17.00
Social Welfare and Development	4,194,947	13.88
Environment and Natural Resources	2,463,119	8.15
State Universities and Colleges	2,118,473	7.01
Public works and Highways	1,915,620	6.34
Agriculture	1,742,264	5.77
Commission on Elections	1,638,768	5.42
Transportation	1,557,080	5.15
Congress of the Philippines	969,893	3.21
Other Executive Offices	<u>892,420</u>	<u>2.95</u>
Sub-total	22,630,084	74.88
Other Departments/Offices	<u>7,591,979</u>	<u>25.12</u>
Total	<u>30,222,063</u>	<u>100.00</u>

37.12. General Services

This group of accounts consists of the following:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Environment/Sanitary Services	2,204,248	2,108,748
Janitorial Services	3,616,334	3,296,964
Security Services	5,854,777	5,318,740
Other General Services	<u>7,423,827</u>	<u>6,500,844</u>
Total	<u>19,099,186</u>	<u>17,225,296</u>

The departments/offices which reported balances of this account are the following:

Department/Office	Amount <i>(in thousand pesos)</i>	Percent to Total
State Universities and Colleges	3,013,928	15.78
Education	2,467,078	12.92
Metro Manila Development Authority	2,136,103	11.18
Health	1,888,979	9.89
Transportation	1,035,679	5.42
Environment and Natural Resources	762,728	4.00
Interior and Local Government	677,329	3.55
Finance	674,366	3.53

Department/Office	Amount (in thousand pesos)	Percent to Total
National Economic Development Authority	670,319	3.51
Trade and Industry	<u>659,664</u>	<u>3.45</u>
Sub-total	13,986,172	73.23
Other Departments/Offices	<u>5,113,014</u>	<u>26.77</u>
Total	<u>19,099,186</u>	<u>100.00</u>

37.13. Repairs and Maintenance

The details of this account are as follows:

Particulars	2019	2018 (Restated)
	(in thousand pesos)	
Repairs and Maintenance-Investment Property	171	10,133
Repairs and Maintenance-Land Improvements	163,438	279,429
Repairs and Maintenance-Infrastructure Assets	7,869,341	15,974,624
Repairs and Maintenance-Buildings and Other Structures	8,891,828	9,768,052
Repairs and Maintenance-Machinery and Equipment	2,689,808	2,906,045
Repairs and Maintenance-Transportation Equipment	8,670,471	5,002,751
Repairs and Maintenance-Furniture and Fixtures	107,762	125,425
Repairs and Maintenance-Leased Assets	390,865	253,904
Repairs and Maintenance-Leased Assets Improvements	36,167	50,196
Restoration and Maintenance-Heritage Assets	213,356	561,135
Repairs and Maintenance-Semi-Expendable Machinery and Equipment	30,636	20,360
Repairs and Maintenance-Semi-Expendable Furniture, Fixtures and Books	45,487	7,329
Repairs and Maintenance-Other Property, Plant and Equipment	<u>125,563</u>	<u>56,878</u>
Total	<u>29,232,893</u>	<u>35,016,261</u>

The departments/offices which reported balances of this account are the following:

Department/Office	Amount (in thousand pesos)	Percent to Total
Public Works and Highways	8,576,233	29.34
National Defense	6,741,882	23.06
Education	4,961,310	16.97
Transportation	3,494,014	11.95
Interior and Local Government	1,325,680	4.54
State Universities and Colleges	871,476	2.98
Agriculture	513,453	1.76
Health	413,566	1.42
Environment and Natural Resources	365,984	1.25
Other Executive Offices	<u>310,445</u>	<u>1.06</u>
Sub-total	27,574,045	94.33
Other Departments/Offices	<u>1,658,848</u>	<u>5.67</u>
Total	<u>29,232,893</u>	<u>100.00</u>

The DPWH-Proper reported P8.58 billion, while for DND, the PAF recognized P3.71 billion or 55.06 percent and for the DepEd-Proper reported P4.96 billion or 99.93 percent.

37.14. *Taxes, Insurance Premiums and Other Fees*

This group of accounts consists of the following:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Taxes, Duties and Licenses	28,889,057	21,510,611
Fidelity Bond Premiums	425,945	375,233
Insurance Expenses	<u>3,586,956</u>	<u>1,992,237</u>
Total	<u>32,901,958</u>	<u>23,878,081</u>

The departments/offices which reported balances of this account are the following:

Department/Office	Amount <i>(in thousand pesos)</i>	Percent to Total
Finance	24,638,247	74.88
National Defense	3,579,939	10.88
Transportation	2,563,388	7.79
Health	579,379	1.76
State Universities and Colleges	275,147	0.84
Education	218,534	0.66
Interior and Local Government	169,992	0.52
Public Works and Highways	152,631	0.46
Social Welfare and Development	99,193	0.30
Agriculture	92,981	0.28
Sub-total	32,369,431	98.38
Other Departments/Offices	<u>532,527</u>	<u>1.62</u>
Total	<u>32,901,958</u>	<u>100.00</u>

37.15. *Labor and Wages*

Of the total labor and wages of P4.09 billion, the top five departments which reported the highest amount are: DA – P1.56 billion or 38.03 percent; DPWH – P873.38 million or 21.35 percent; SUCs – P609.15 million or 14.89 percent; the DSWD – P577.04 million or 14.11 percent; and DepEd – P186.62 million or 4.56 percent.

37.16. *Other Maintenance and Operating Expenses*

This group of accounts, which represents the major component of MOOE, consist of the following:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Advertising Expenses	1,851,474	3,076,876
Printing and Publication Expenses	2,076,975	1,922,150
Representation Expenses	6,277,817	5,682,326
Transportation and Delivery Expenses	1,463,524	860,663
Rent/Lease Expenses	14,827,765	11,572,520
Membership Dues and Contributions to Organizations	1,943,526	1,831,446

Particulars	2019	2018 (Restated)
	(in thousand pesos)	
Subscription Expenses	1,880,995	1,279,607
Donations	138,663,105	146,316,711
Litigation/Acquired Assets Expenses	110,272	183,177
Loss on Guaranty	1,276,597	1,273,878
Other Maintenance and Operating Expenses	<u>22,642,893</u>	<u>18,018,987</u>
Total	<u>193,014,942</u>	<u>192,018,342</u>

The departments/offices which reported balances of this account are the following:

Department/Office	Amount (in thousand pesos)	Percent to Total
Social Welfare and Development	107,771,897	55.84
Other Executive Offices	23,139,956	11.99
Transportation	9,568,224	4.96
Congress of the Philippines	5,718,097	2.96
Agriculture	5,298,554	2.75
Office of the President	5,134,679	2.66
Education	3,804,961	1.97
Finance	3,633,358	1.88
Health	3,624,343	1.88
Labor and Employment	<u>2,894,006</u>	<u>1.50</u>
Sub-total	170,588,076	88.38
Other Departments/Offices	<u>22,426,866</u>	<u>11.62</u>
Total	<u>193,014,942</u>	<u>100.00</u>

The DSWD-Proper reported P107.61 billion or 99.85 percent, while for OEO-CHED reported P20.92 billion or 90.39 percent, and the DOTr-Proper reported P9.29 billion or 97.12 percent.

38. FINANCIAL EXPENSES

The details of this group of accounts are the following:

Particulars	2019	2018 (Restated)
	(in thousand pesos)	
Management Supervision/Trusteeship Fees	1	-
Interest Expenses	393,984,716	349,274,421
Guarantee Fees	-	4,000
Bank Charges	773,509	1,200,730
Commitment Fees	240,909	243,018
Other Financial Charges	<u>416,471</u>	<u>313,440</u>
Total	<u>395,415,606</u>	<u>351,035,609</u>

The DOF-BTr NG recognized P395.01 billion or 99.97 percent.

39. FINANCIAL ASSISTANCE/SUBSIDY TO LGUs, GOCCs, NGOs/POs

This group of accounts consists of the following:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Financial Assistance/Subsidy to LGUs, GOCCs, NGOs/POs		
Financial Assistance to Local Government Units	53,636,249	62,818,230
Budgetary Support to Government-Owned or Controlled Corporations	217,971,825	147,088,082
Financial Assistance to NGOs/POs	474,022	2,480,651
Internal Revenue Allotment	<u>575,525,477</u>	<u>522,737,820</u>
Total	<u>847,607,574</u>	<u>735,124,783</u>

39.1. Financial Assistance to Local Government Units

The DOF-BTr NG reported the Financial Assistance to LGUs of P42.46 billion or 79.16 percent, which consist of special shares from the proceeds of National Taxes – P14.66 billion, Local Government Support Fund – P27.77 billion, and Pension and Gratuity Fund – P27.62 million.

39.2. Budgetary Support to Government-Owned or Controlled Corporations

The DOF-BTr NG reported P213.70 billion, which was distributed to 43 GCs as follows:

Particulars	Amount <i>(in thousand pesos)</i>	Percent to Total
1. Philippine Health Insurance Corporation	72,701,549	34.02
2. National Irrigation Administration	35,580,629	16.65
3. Land Bank of the Philippines	30,488,000	14.27
4. National Housing Authority	13,857,144	6.48
5. National Food Authority	12,980,800	6.07
6. Bases Conversion and Development Authority	10,802,723	5.06
7. National Electrification Administration	6,891,577	3.22
8. Light Rail Transit Authority	4,033,964	1.89
9. Philippine Crop Insurance Corporation	3,948,701	1.85
10. Philippine Deposit Insurance Corporation	3,025,081	1.42
11. Philippine Coconut Authority	2,062,690	0.97
12. National Power Corporation	1,502,923	0.70
13. Small Business Corporation/Small Business Guarantee and Finance Corporations	1,500,000	0.70
14. National Development Company	1,498,870	0.70
15. Local Water Utilities Administration	1,319,950	0.62
16. Philippine Heart Center	1,288,105	0.60
17. Sugar Regulatory Administration	1,237,500	0.58
18. Philippine Children's Medical Center	1,040,237	0.49
19. National Kidney and Transplant Institute	910,767	0.43
20. Philippine Postal Corporation	836,231	0.39
21. Social Housing Finance Corporation	795,864	0.37
22. Philippine Rice Research Institute	771,509	0.36
23. Philippine National Railways	691,784	0.32
24. Philippine Fisheries Development Authority	546,642	0.26

Particulars	Amount (in thousand pesos)	Percent to Total
25. Cultural Center of the Philippines	467,493	0.22
26. Government Service Insurance System	389,190	0.18
27. National Dairy Authority	349,088	0.16
28. Subic Bay Metropolitan Authority	324,625	0.15
29. Development Academy of the Philippines	308,144	0.14
30. Lung Center of the Philippines	290,282	0.14
31. Center for International Trade Expositions and Missions	279,228	0.13
32. Philippine Institute of Traditional and Alternative Health Care	168,545	0.08
33. Philippine Institute for Development Studies	165,694	0.08
34. Credit Information Corporation	142,024	0.07
35. People's Television Network, Inc.	128,380	0.06
36. Southern Philippines Development Authority	99,785	0.05
37. National Home Mortgage Finance Corporation	65,793	0.03
38. Zamboanga City Special Economic Zone Authority	51,583	0.02
39. Aurora Pacific Economic Zone and Freeport Authority	48,721	0.02
40. Philippine Tax Academy	36,238	0.02
41. Philippine Center for Economic Development	23,954	0.01
42. Tourism Infrastructure and Enterprise Zone Authority	23,625	0.01
43. Cagayan Economic Zone Authority	19,455	0.01
Total	<u>213,695,088</u>	<u>100.00</u>

39.3. *Financial Assistance to NGOs/POs*

Of the total, the OEO-National Commission for Culture and the Arts reported P113.00 million or 23.84 percent, which represents funds granted to private organizations for the implementation of various projects.

39.4. *Internal Revenue Allotment*

This represents the annual share of LGUs from national internal revenue collections.

40. NON-CASH EXPENSES

The details of this account are as follows:

Particulars	2019	2018 (Restated)
	(in thousand pesos)	
Depreciation	102,782,372	85,106,147
Amortization	1,166,445	715,046
Impairment Loss	692,093	954,587
Losses	62,304	25,113
Total	<u>104,703,214</u>	<u>86,800,893</u>

The departments/offices which reported balances of this account are the following:

Department/Office	Amount (in thousand pesos)	Percent to Total
Public Works and Highways	63,239,319	60.40
National Defense	8,488,193	8.11
Education	7,846,505	7.50
Health	4,560,895	4.36
State Universities and Colleges	4,554,823	4.35
Interior and Local Government	3,751,815	3.58
Agriculture	1,560,258	1.49
Transportation	1,486,000	1.42
Science and Technology	1,304,474	1.25
Environment and Natural Resources	<u>1,068,903</u>	<u>1.02</u>
Sub-total	97,861,185	93.47
Other Departments/Offices	<u>6,842,029</u>	<u>6.53</u>
Total	<u>104,703,214</u>	<u>100.00</u>

The DPWH-Proper reported P63.24 billion, while for DND, the GHQ-AFP recognized P4.80 billion or 56.53 percent.

40.1. Depreciation

This group of accounts consists of the following:

Particulars	2019	2018 (Restated)
	(in thousand pesos)	
Depreciation-Investment Property	5,792	3,146
Depreciation-Land Improvements	405,717	518,604
Depreciation-Infrastructure Assets	61,934,406	50,163,486
Depreciation-Buildings and Other Structures	9,447,823	8,381,341
Depreciation-Machinery and Equipment	19,679,728	15,482,762
Depreciation-Transportation Equipment	8,277,310	7,617,953
Depreciation-Furniture, Fixtures and Books	874,443	794,269
Depreciation-Leased Assets	118,726	118,749
Depreciation-Leased Assets Improvements	49,451	39,255
Depreciation-Heritage Assets	1,612	(1,673)
Depreciation-Service Concession Assets	1,545,284	1,545,181
Depreciation-Other Property, Plant and Equipment	<u>442,080</u>	<u>443,074</u>
Total	<u>102,782,372</u>	<u>85,106,147</u>

The departments/offices which reported balances of this account are the following:

Department/Office	Amount (in thousand pesos)	Percent to Total
Public Works and Highways	63,141,461	61.43
National Defense	8,402,524	8.16
Education	7,277,027	7.08
State Universities and Colleges	4,454,177	4.33
Health	4,408,197	4.29
Interior and Local Government	3,738,989	3.64
Agriculture	1,438,273	1.40
Transportation	1,408,843	1.37
Science and Technology	1,253,128	1.22
Environment and Natural Resources	<u>1,038,729</u>	<u>1.01</u>

Department/Office	Amount (in thousand pesos)	Percent to Total
Sub-total	96,561,349	93.95
Other Departments/Offices	<u>6,221,023</u>	<u>6.05</u>
Total	<u>102,782,372</u>	<u>100.00</u>

The DPWH-Proper reported P63.14 billion, while for DND, the GHQ-AFP recognized P4.79 billion or 56.95 percent, and the DepEd-Proper shared P7.21 billion or 99.02 percent.

40.2. *Amortization*

Of the total amortization of P1.17 billion, the top five departments which reported the highest amount are: DepEd – P563.08 million or 48.27 percent; Judiciary – P112.27 million or 9.63 percent; DPWH – P89.11 million or 7.64 percent; The DOF – P56.03 million or 4.80 percent; and DOTr – P55.80 million or 4.78 percent.

40.3. *Impairment Loss*

This group of accounts consists of the following:

Particulars	2019	2018 (Restated)
	(in thousand pesos)	
Impairment Loss-Financial Assets Held to Maturity	15	-
Impairment Loss-Loans and Receivables	269,872	458,812
Impairment Loss-Lease Receivables	3,668	3,659
Impairment Loss-Other Receivables	207,963	94,077
Impairment Loss-Inventories	22,182	14,678
Impairment Loss-Property, Plant and Equipment	141,165	120,011
Impairment Loss-Biological Assets	165	50
Impairment Loss-Intangible Assets	279	226,636
Impairment Loss-Other Assets	<u>46,785</u>	<u>36,664</u>
Total	<u>692,093</u>	<u>954,587</u>

The departments/offices which reported balances of this account are the following:

Department/Office	Amount (in thousand pesos)	Percent to Total
Health	134,159	19.38
Finance	121,053	17.49
National Defense	77,303	11.17
State Universities and Colleges	75,636	10.93
Agriculture	47,326	6.84
Trade and Industry	37,963	5.49
Labor and Employment	36,663	5.30
Metropolitan Manila Development Authority	31,516	4.55
Science and Technology	25,824	7.73
Justice	<u>22,791</u>	<u>3.29</u>
Sub-total	610,234	88.17
Other Departments/Offices	<u>81,859</u>	<u>11.83</u>
Total	<u>692,093</u>	<u>100.00</u>

The DOH-Proper reported P133.82 million or 99.75 percent, and the DOF-BIR reported P81.29 million or 67.15 percent.

40.4. *Losses*

This group of accounts consists of the following:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Loss on Sale of Biological Assets	3,381	3,685
Loss on Sale of Agricultural Produce	21	14
Loss on Initial Recognition of Biological Assets	-	1
Loss from Changes in Fair Value of Financial Instruments	146	-
Loss from Changes in Fair Value Less Costs to Sell of Biological Assets Due to Physical Change	58,697	21,397
Loss from Changes in Fair Value Less Costs to Sell of Biological Assets Due to Price Change	<u>59</u>	<u>16</u>
Total	<u>62,304</u>	<u>25,113</u>

Of the total losses, DA-PCC reported P60.22 million or 96.66 percent.

41. NET FINANCIAL ASSISTANCE/SUBSIDY

The negative balance of P83.45 billion in net financial assistance/subsidy is the difference between the financial assistance/subsidy to NGAs of P87.15 billion and financial assistance/subsidy from LGUs and GOCCs of P3.71 billion. The details are as follows:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Financial Assistance/Subsidy from NGAs		
Subsidy from National Government	3,375,414,492	2,983,539,499
Subsidy from Other National Government Agencies	6,833,635	648,484
Subsidy from Other Funds	2,850	740,614
Subsidy from Central Office	4,396,730	4,492,375
Subsidy from Regional Office/Staff Bureaus	<u>401,069</u>	<u>128,562</u>
Total Financial Assistance/Subsidy from NGAs	3,387,048,775	2,989,549,535
Less: Financial Assistance/Subsidy to NGAs		
Subsidy to NGAs	3,418,423,626	3,048,361,098
Financial Assistance to NGAs	7,311,236	3,720,153
Subsidy to Other Funds	535	333
Subsidies - Others	<u>48,463,940</u>	<u>34,421,264</u>
Total Financial Assistance/Subsidy to NGAs	3,474,199,338	3,086,502,849
Net Financial Assistance/Subsidy From/(To) NGAs	<u>(87,150,562)</u>	<u>(96,953,314)</u>
Financial Assistance/Subsidy from LGUs and GOCCs		
Assistance from Local Government Units	3,679,406	4,691,262
Assistance from Government-Owned or Controlled Corporations	<u>25,675</u>	<u>5,222</u>
Total Financial Assistance/Subsidy from LGUs and GCs	3,705,082	4,696,484
Net Financial Assistance/Subsidy	<u>(83,445,481)</u>	<u>(92,256,830)</u>

Subsidy to NGAs represents replenishments made by BTr to AGDBs for negotiated MDS checks and other payments on accounts of NGAs. This includes the replenishments of MDS checks issued in FY 2018 but presented for encashment only in FY 2019.

Of the Financial Assistance from LGUs, MMDA reported P3.48 billion or 94.45 percent.

Of the total Financial Assistance from GOCCs, DOH and DILG reported P19.52 million or 76.03 percent and P4.30 million or 16.75 percent, respectively.

42. OTHER NON-OPERATING INCOME

This group of accounts consists of the following:

Particulars	2019	2018 (Restated)
	(in thousand pesos)	
Sale of Assets		
Sale of Garnished/Confiscated/Abandoned/Seized Goods and Property	355,272	1,170,575
Sale of Unserviceable Property	19,847	15,563
Sub-Total	375,119	1,186,138
Gains and Reversal		
Gain on Foreign Exchange (FOREX)	96,085,036	22,110,501
Gain on Sale of Investments	803,051	9,974
Gain on Sale of Property, Plant and Equipment	511,241	3,987
Other Gains	1,080,429	668,796
Reversal of Impairment Loss	12,178	2,150
Sub-Total	98,491,935	22,795,408
Total	98,867,054	23,981,546

42.1. Sale of Assets

The DOF-BOC reported P351.96 million or 99.07 percent of the total sale of garnished/confiscated/abandoned/seized goods and property.

42.2. Gains and Reversal

The DOF reported the following: Gain on Foreign Exchange (FOREX) – P95.71 billion or 99.61 percent, Gain on Sale of Investments – P802.89 million or 99.98 percent, and Gain on Sale of Property, Plant and Equipment – P506.87 million or 99.15 percent.

The departments/offices which reported balances of Other Gains are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
Finance	850,837	78.75
Justice	86,896	8.04
State Universities and Colleges	44,587	4.13
Other Executive Offices	25,601	2.37

Department/Office	Amount (in thousand pesos)	Percent to Total
Health	23,340	2.16
Education	15,401	1.43
Environment and Natural Resources	11,349	1.05
Social Welfare and Development	7,023	0.65
National Defense	5,409	0.50
Interior and Local Government	2,804	0.26
Sub-total	<u>1,073,248</u>	<u>99.34</u>
Other Departments/Offices	7,181	0.66
Total	<u>1,080,429</u>	<u>100.00</u>

43. LOSSES

The details of non-operating losses are as follows:

Particulars	2019	2018 (Restated)
	(in thousand pesos)	
Loss on Foreign Exchange (FOREX)	18,917,818	124,775,653
Loss on Sale of Investments	27,788	108,419
Loss on Sale of Property, Plant and Equipment	69,634	86,890
Loss on Sale of Assets	56,183	13,761
Loss of Assets	65,186	264,601
Other Losses	<u>1,773,446</u>	<u>14,119,403</u>
Total	<u>20,910,055</u>	<u>139,368,727</u>

The DOF-BTr NG reported P17.91 billion or 94.65 percent of the total loss on foreign exchange (FOREX).

The departments/offices which reported other losses are as follows:

Department/Office	Amount (in thousand pesos)	Percent to Total
Finance	19,698,260	94.20
Transportation	376,267	1.80
Foreign Affairs	254,841	1.22
Energy	183,400	0.88
Agriculture	<u>88,201</u>	<u>0.42</u>
Sub-total	<u>20,600,969</u>	<u>98.52</u>
Other Departments/Offices	<u>309,086</u>	<u>1.48</u>
Total	<u>20,910,055</u>	<u>100.00</u>

44. CASH INFLOWS FROM OPERATING ACTIVITIES

The cash inflows from operating activities were from the following sources:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Collection of Income/Revenues	3,094,718,948	2,820,553,234
Receipt of Assistance and Subsidy and from Other NGAs, LGUs and GOCCs	7,312,294	5,142,648
Collection of Receivables	54,546,912	41,978,160
Receipt of Inter-Agency Fund Transfers	54,275,941	39,020,460
Trust Receipts	68,137,182	73,124,476
Other Receipts	<u>54,308,814</u>	<u>57,969,517</u>
Total Cash Inflows	3,333,300,091	3,037,788,495
Adjustments	<u>201,995,039</u>	-
Adjusted Cash Inflows	<u>3,535,295,130</u>	<u>3,037,788,495</u>

The adjustments consist of the following:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Restoration of cash for cancelled/lost/stale checks/ADA	2,119,526	-
Restoration of cash for unreleased checks (for commercial checks only)	1,762,577	-
Other adjustments – inflow	<u>198,112,937</u>	-
Total	<u>201,995,039</u>	=

45. CASH OUTFLOWS FROM OPERATING ACTIVITIES

The cash outflows from operating activities were used for the following:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Payment of Expenses	1,056,842,019	952,835,898
Purchase of Inventories	55,892,281	46,989,755
Purchase of Consumable Biological Assets	144,865	185,601
Grant of Cash Advances	95,035,020	72,929,313
Prepayments	14,835,635	18,570,434
Refund of Deposits	34,334,866	18,997,958
Payment of Accounts Payable	86,805,970	73,561,767
Remittance of Personnel Benefit Contributions and Mandatory Deductions	336,749,263	288,082,430
Grant of Financial Assistance/Subsidy	924,417,492	791,434,539
Release of Inter-Agency Fund Transfers	113,575,693	170,291,786
Release of Intra-agency fund transfers	298,459,583	-
Other Disbursements	<u>151,177,859</u>	<u>140,659,780</u>
Total Cash Outflows	3,168,270,547	2,574,539,262
Adjustments	-	<u>72,769,557</u>
Adjusted Cash Outflows	<u>3,168,270,547</u>	<u>2,647,308,819</u>

46. CASH INFLOWS FROM INVESTING ACTIVITIES

Total cash inflows from investing activities is composed of the following:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Proceeds from Sale of Investment Property	863	-
Proceeds from Sale/Disposal of Property, Plant and Equipment	36,889	31,535
Sale of Investments	95,259,380	13,700,995
Receipt of Cash Dividends	52,687,180	40,398,548
Proceeds from Matured/Return of Investments	60,850,164	57,852,636
Collection of Long-Term Loans	3,116,180	12,307,682
Proceeds from Sale of Other Assets	<u>5,467</u>	<u>4,776</u>
Total	<u>211,956,124</u>	<u>124,296,172</u>

Of the total cash inflows from investing activities, DOF ranked the highest at P207.15 billion or 98.31 percent. Of this amount, DOF-BTr NG reported P175.10 billion or 84.53 percent, generated from the following: Proceeds from sale of stocks/bonds/marketable securities – P93.89 billion or 53.62 percent; Receipt of Cash Dividends – P52.67 billion or 30.08 percent; Proceeds from matured investments – P27.71 billion or 15.83 percent; and Repayment of long term-loans by GOCCs/GFIs of P824.59 billion or 0.47 percent.

47. CASH OUTFLOWS FROM INVESTING ACTIVITIES

Total cash outflows from investing activities of P995.53 billion was utilized for the following:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Purchase/Construction of Investment Property	5,961	5,725
Purchase/Construction of Property, Plant and Equipment	680,906,046	625,751,174
Investments	309,655,278	84,075,040
Purchase of Bearer Biological Assets	37,601	28,220
Purchase of Intangible Assets	467,615	401,790
Grant of loans	<u>4,457,537</u>	<u>4,994,612</u>
Total	<u>995,530,038</u>	<u>715,256,561</u>

Of the total cash outflows from investing activities, P597.24 billion or 59.99 percent was reported by DPWH for its capital expenditures, majority of which was for the purchase/construction of property, plant and equipment of P535.59 billion. Next to DPWH are DOF and DepEd with P311.21 billion or 31.26 percent and P13.88 billion or 1.39 percent, respectively.

Of the P309.66 billion Investments, P277.24 billion or 89.53 percent was reported by the DOF-BTr NG which consisted of P273.87 billion or 98.78 percent for investment in stocks/bonds/marketable securities, and P3.37 billion or 1.22 percent for investment in GCs/GFIs.

Of the six departments/offices which reported grant of loans, DOF reported the highest

amount of P1.914 billion or 44.94 percent, followed by DepEd and DND of P1.77 billion or 39.80 percent, and P531.24 million or 11.92 percent, respectively.

48. CASH INFLOWS FROM FINANCING ACTIVITIES

The DOF-BTr NG reported entirely the total cash inflows from financing activities of P2.048 trillion, detailed as follows:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Proceeds from Issuance of Bills and Bonds	1,936,215,660	1,533,713,673
Proceeds from Domestic and Foreign Loans	111,905,952	100,017,260
Total	<u>2,048,121,612</u>	<u>1,633,730,933</u>

49. CASH OUTFLOWS FROM FINANCING ACTIVITIES

Total cash outflows from financing activities of P1.421 trillion was utilized for the following:

Particulars	2019	2018 (Restated)
	<i>(in thousand pesos)</i>	
Payment of Long-Term Liabilities	90,571,734	73,575,424
Redemption of Bills/Bonds Issued	1,402,154,142	1,061,102,461
Payment of Interest Expense (BTr/NG Debt)	321,866,402	283,712,473
Total	<u>1,814,592,278</u>	<u>1,418,390,357</u>

Cash outflows from financing activities was reported substantially by the DOF-BTr NG of P1.814 trillion or 99.98 percent, as follows: P90.17 billion or 4.97 percent for payment of long-term liabilities; P1.402 trillion or 77.29 percent for redemption of bills and bonds issued; and P321.86 billion or 17.74 percent for payment of interest expense.

50. EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS

The net loss from the exchange rate changes on cash and cash equivalents of P6.403 trillion, which resulted from the conversion of foreign currencies to local currency during the year, decreased the balance of cash and cash equivalents. Of the two departments/offices which reported gains totaling P7.33 million, MMDA reported the highest amount of P4.16 million or 56.76 percent, followed by DA-OSEC of P7.33 million or 43.24 percent. Twelve departments, namely: DOF, DOLE, DSWD, DOTr and DENR reported losses totaling P6.39 billion, of which the DOF-BTr NG recognized P6.28 billion or 97.99 percent.

51. CASH AND CASH EQUIVALENTS

51.1. *Beginning Balance*

The beginning balance of Cash and Cash Equivalents for FY 2018 was restated to P868.14 billion from previous year's FY 2018 balance of P867.51 billion. The increase of P631.05 million was due to the inclusion of the SCF of Rizal Technological University (RTU) which was not included in the FY 2018 AFR due to non-submission of the University.

51.2. *Ending Balance*

The FY 2019 ending balance of Cash and Cash Equivalents amounting to P689.73 billion shown in the SCF differed by P172.77 billion from the balance of P516.95 billion shown in the SFPos. The difference is due to the cash account lodged in the sinking fund.

PART V

NATIONAL

GOVERNMENT DEBT

PART V – NATIONAL GOVERNMENT DEBT

Introduction

Governments resort to borrowing in order to finance government operations and to stabilize the economy when national revenue is insufficient to fund the government's capital programs and projects. The NG debt is sourced either from domestic borrowings or from foreign borrowings. Domestic borrowings consist of certificates of indebtedness through issuance of Treasury Bills (T-Bills) and Treasury Bonds (T-Bonds) by the BTr. Foreign borrowings are funds sourced from multilateral, bilateral and commercial contracts with external creditors and usually include bonds and loans directly contracted and those contracted and relent to GCs.

The long-term debt strategy adopted by the NG focused on reducing the foreign currency denominated debt, meeting the government's financing requirements at minimal cost consistent with an acceptable level of risk, and supporting the development of local and domestic market. The NG intends to maintain its preference for domestic funding and aims to borrow, predominantly in local currency, to meet its funding requirements through floatation of T-Bills and issuance of T-Bonds. The NG plans to continue taking advantage of any available concessional loans from external development partners (DPs) such as ADB and IBRD.

For FY 2019, the government achieved its revised financing mix target of 68:32 after sourcing P693.8 billion from the domestic capital market and raising P185.7 billion through bonds issued in global debt markets. The preference for domestic funding was in line with the debt management objective of reducing foreign exchange vulnerability and supporting the development of the local bond market.

In May 2019, 750 million of 8-year Euro-denominated Global Bonds was issued. The issuance marked the country's return to the European capital markets after a hiatus of more than a decade.

National Government Outstanding Debts

Outstanding balance of NG debt of P7.743 trillion as at December 31, 2019 was composed of domestic borrowings of P5.129 trillion or 66.25 percent and foreign borrowings of P2.613 trillion or 33.75 percent. Domestic borrowings increased by P350.79 billion or 7.34 percent compared to the FY 2018 amount of P4.778 trillion due to the floatation of T-Bills and issuance of T-Bonds with maturity period of 3, 5, 7, 10, and 20 years. Foreign borrowings increased by P98.07 billion or 3.90 percent over the previous year's P2.515 trillion. Table V-1 shows the details of comparative outstanding balances of NG debt for FYs 2019 and 2018.

Table V-1 Comparative Outstanding Balances of National Government Debt
FYs 2019 and 2018
(in million pesos)

Particulars	Amount			Percent
	FY 2019	FY 2018	Increase (Decrease)	
Domestic	<u>5,129,227.31</u>	<u>4,778,434.75</u>	<u>350,792.57</u>	<u>7.34</u>
Bonds Payable	<u>4,642,264.51</u>	<u>4,283,335.95</u>	<u>358,928.57</u>	8.38
Fixed Rate Treasury Bond	2,351,517.30	2,232,382.57	119,134.73	5.34
Retail Treasury Bonds	1,290,591.97	1,054,675.53	235,916.44	22.37
Benchmark bonds	909,298.02	909,298.02	-	-
on shore 10 year bonds	25,401.00	26,281.50	(880.50)	(3.35)
Treasury Bonds (CB-BOL)	54,961.02	50,000.00	4,961.02	9.92
Domestic Uncertificated				
Treasury Bonds	-	0.22	(0.22)	(100.00)
Agrarian Reform Bonds	10,495.21	10,698.11	(202.90)	(1.90)
Treasury Bills	<u>486,170.30</u>	<u>494,306.30</u>	<u>(8,136.00)</u>	<u>(1.65)</u>
CB-BOL	166,432.30	174,568.30	(8,136.00)	(4.66)
Regular	319,738.00	319,738.00	-	-
Loans Payable	<u>792.50</u>	<u>792.50</u>	-	-
DBP Assumed Loans	442.50	442.50	-	-
Loans Payable -				
Domestic(PNB)	350.00	350.00	-	-
Foreign	<u>2,613,344.96</u>	<u>2,515,272.20</u>	<u>98,072.76</u>	<u>3.90</u>
Bonds Payable	<u>1,624,151.14</u>	<u>1,568,388.99</u>	<u>55,762.15</u>	3.56
Euro Bonds	42,734.64	-	42,734.64	100.00
Global Bonds	1,390,761.84	1,435,464.24	(44,702.40)	(3.11)
Japanese Bonds	161,771.23	121,750.12	40,021.11	32.87
Panda Bonds	28,883.43	11,174.63	17,708.80	158.47
Loans Payable	<u>989,193.83</u>	<u>946,883.22</u>	<u>42,310.61</u>	4.47
Direct/Relent Loans	989,193.83	946,883.22	42,310.61	4.47
Total	<u>7,742,572.28</u>	<u>7,293,706.95</u>	<u>448,865.33</u>	<u>6.15</u>

The outstanding balance of NG debt of P7.294 trillion as at December 31, 2018 was increased by P8.50 million due to prior period adjustments, as presented in Table V-2.

Table V-2 Adjusted Outstanding Balance of National Government Debt
As at December 31, 2018
(in million pesos)

Particulars	Amount		
	Outstanding as at 12/31/18	Adjustments 2018	Adjusted Outstanding as at 12/31/18
Domestic	<u>4,778,434.53</u>	<u>0.22</u>	<u>4,778,434.75</u>
Bonds Payable	4,283,335.73	0.22	4,283,335.95
Treasury Bills	494,306.30	-	494,306.30
Loans Payable	792.50	-	792.50
Foreign	<u>2,515,263.92</u>	<u>8.28</u>	<u>2,515,272.20</u>
Bonds Payable	1,568,380.09	8.90	1,568,388.99
Loans Payable	946,883.84	(0.62)	946,883.22
Total	<u>7,293,698.45</u>	<u>8.50</u>	<u>7,293,706.95</u>

Domestic Borrowings

The amount of P1.723 trillion was availed during FY 2019 through issuance of T-Bonds of P731.18 billion and floatation of T-Bills of P991.64 billion. Domestic debt availments and issuances increased by P301.98 billion or 21.25 percent from FY 2018 of P1.421 trillion. Details are shown in Table V-3.

Table V-3 Comparative Domestic Debt Availments and Issuances
FYs 2019 and 2018
(in million pesos)

Particulars	Amount			Percent
	2019	2018	Increase (Decrease)	
Bonds Payable	<u>731,183.05</u>	<u>467,486.84</u>	<u>263,696.21</u>	<u>56.41</u>
Fixed Rate Treasury Bond	488,256.00	292,772.00	195,484.00	66.77
Retail Treasury Bonds	235,916.44	121,765.45	114,150.99	93.75
Treasury Bonds (CB-BOL)	4,961.02	50,000.00	(45,038.98)	(90.08)
Agrarian Reform Bonds	2,049.60	2,949.39	(899.80)	(30.51)
Treasury Bills	<u>991,643.30</u>	<u>953,357.30</u>	<u>38,286.00</u>	<u>4.02</u>
CB-BOL	562,075.00	429,568.30	132,506.70	30.85
Regular	429,568.30	523,789.00	(94,220.70)	(17.99)
Total	<u>1,722,826.35</u>	<u>1,420,844.14</u>	<u>301,982.21</u>	<u>21.25</u>

Repayments of domestic borrowings reached P1.371 trillion, registering an increase of P282.48 billion or 25.95 percent from FY 2018 of P1.088 trillion. Table V-4 shows the details of comparative domestic debt repayments and redemptions.

Table V-4 Comparative Domestic Debt Repayments and Redemptions
FYs 2019 and 2018
(in million pesos)

Particulars	Amount			Percent
	2019	2018	Increase (Decrease)	
Bonds Payable	<u>371,171.09</u>	<u>315,049.30</u>	<u>56,121.79</u>	<u>17.81</u>
Fixed Rate Treasury Bond	369,121.27	262,099.87	107,021.40	40.83
Treasury Bonds (CB-BOL)	-	50,000.00	50,000.00	(100.0)
Agrarian Reform Bonds	2,049.60	2,949.39	(899.80)	(30.51)
Domestic Certificated/Uncertificated Treasury Bonds	0.22	0.03	0.19	633.33
Treasury Bills	<u>999,779.30</u>	<u>773,420.30</u>	<u>226,359.00</u>	<u>29.27</u>
CB-BOL	570,211.00	429,568.30	140,642.70	32.74
Regular	429,568.30	343,852.00	85,716.30	24.93
Total	<u>1,370,950.39</u>	<u>1,088,469.60</u>	<u>282,480.79</u>	<u>25.95</u>

Foreign Borrowings

The outstanding foreign borrowings at the end of FY 2019 of P2.613 trillion increased by P98.07 billion from the FY 2018 adjusted balance of P2.515 trillion. The outstanding balance consists of loans contracted with foreign creditors amounting to P989.19 billion and bonds issuances totalling P1.624 trillion. These loans represent direct loans

contracted by the NG and those relent to GCs. The balance of bonds payable consists of global bonds of P1.391 trillion, Japanese yen bonds of P161.77 billion, Panda bonds of P28.88 billion, and Euro bonds of P42.73 billion. The Global Bonds was understated by P7.85 million due to unrecorded revaluation of foreign debts at yearend.

Aggregate availments for FY 2019 of P323.09 billion was P19.55 billion or 6.44 percent higher than FY 2018 of P303.55 billion. The increase was due to issuance of bonds and availments of concessional and program loans from DPs, mostly from ADB and IBRD. Table V-5 shows the comparative foreign debt availments.

Table V-5 Comparative Foreign Debt Availments
FYs 2019 and 2018
(in million pesos)

Particulars	Amount			Percent
	2019	2018	Increase (Decrease)	
Bonds Payable	<u>186,536.03</u>	<u>188,858.80</u>	<u>(2,322.77)</u>	<u>(1.23)</u>
Euro Bonds	43,929.22	-	43,929.22	100.00
Global Bonds	78,352.50	102,682.00	(24,329.50)	(23.69)
Japanese Bonds	45,349.52	74,162.81	(28,813.29)	(38.85)
Panda Bonds	18,904.78	12,013.99	6,890.79	57.36
Loans Payable	<u>136,558.35</u>	<u>114,689.02</u>	<u>21,869.33</u>	<u>19.07</u>
NG Direct/Relent	136,558.35	114,689.02	21,869.33	19.07
Total	<u>323,094.38</u>	<u>303,547.82</u>	<u>19,546.56</u>	<u>6.44</u>

Payments made for matured and pre-terminated bonds and repayment for loans increased by P32.79 billion or 30.31 percent. Table V-6 shows the comparative foreign debt repayments.

Table V-6 Comparative Foreign Debt Repayments
FYs 2019 and 2018
(in million pesos)

Particulars	Amount			Percent Increase/ Decrease
	2019	2018	Increase (Decrease)	
Bonds Payable				
Global bonds	79,832.74	48,723.29	31,109.45	63.85
Loans Payable				
Direct/Relent loans	<u>61,140.15</u>	<u>59,462.03</u>	<u>1,678.12</u>	2.82
Total	<u>140,972.88</u>	<u>108,185.32</u>	<u>32,787.57</u>	<u>30.31</u>

Revaluation adjustments decreased the bonds as follows: Global Bonds – P43.22 billion, Japanese Bonds – P5.33 billion, Panda Bonds – P1.20 billion, and Euro Bonds – P1.19 billion.

Actual Debt Service Expenditures

For FY 2019, the actual amount of debt service expenditures totalled P883.22 billion. Details are shown in Table V-7.

Table V-7 Comparative Actual Debt Service of the National Government
FYs 2019 and 2018
(in million pesos)

Particulars	Amount			Percent Increase/Decrease
	2019	2018	Increase (Decrease)	
Principal Payments	<u>483,800.48</u>	<u>1,196,654.92</u>	<u>(712,854.43)</u>	<u>(59.57)</u>
Foreign	<u>139,326.33</u>	<u>108,185.32</u>	<u>31,141.01</u>	28.78
Global Bonds	79,004.40	48,723.29	30,321.11	62.23
Direct/Relent	60,281.93	59,462.03	819.90	1.38
Domestic	<u>344,474.15</u>	<u>1,088,469.60</u>	<u>(743,995.45)</u>	(68.35)
Bonds	2,393.88	315,049.30	(312,655.42)	(99.24)
T-Bills	342,080.27	773,420.30	(431,340.03)	(55.77)
Interest Payments	<u>385,722.94</u>	<u>338,299.48</u>	<u>47,423.46</u>	14.02
Foreign	<u>107,608.09</u>	<u>103,441.46</u>	<u>4,166.63</u>	4.03
Global Bonds	82,931.40	84,301.68	(1,370.27)	(1.63)
Direct/Relent	24,676.69	19,139.78	5,536.91	28.93
Domestic	<u>278,114.85</u>	<u>234,858.02</u>	<u>43,256.83</u>	18.42
Bonds, T-Bills and Loans	278,114.85	234,858.02	43,256.83	18.42
Financial Charges	<u>13,692.99</u>	<u>10,789.24</u>	<u>2,903.75</u>	26.91
Foreign	<u>3,606.77</u>	<u>3,387.55</u>	<u>219.23</u>	6.47
Commitment Fees	240.90	243.01	(2.11)	(0.87)
Documentary Stamp Tax	1,717.03	1,640.16	76.88	4.69
Other Financial Charges	371.74	229.25	142.49	62.15
Loss on Guaranty	1,276.60	1,273.88	2.72	0.21
Bank Charges	0.50	1.25	(0.74)	(59.55)
Domestic	<u>10,086.22</u>	<u>7,401.69</u>	<u>2,684.52</u>	36.27
Documentary Stamp Tax	10,086.22	7,401.62	2,684.59	36.27)
Other Financial Charges	<u>0.00</u>	<u>0.07</u>	<u>(0.07)</u>	(100.00)
Total	<u>883,216.41</u>	<u>1,545,743.63</u>	<u>(662,527.22)</u>	(42.86)

The loss on guaranty of P1.28 billion pertains to foreign exchange risk cover on NG guaranteed obligations of government financial institutions (GFIs) such as DBP, LBP and Small Business Guarantee and Finance Corporation.

Commitment fees of P240.90 million incurred by various departments/offices decreased by P2.11 million from FY 2018 of P243.01 million, as shown in Table V-8.

Table V-8 Commitment Fees by Department/Office
FY 2019
(in million pesos)

Department/Agency	2019	2018
Department of Public Works and Highways	107.70	77.87
Department of Finance	32.07	23.54
Department of Transportation	29.90	51.79
Department of Social Welfare and Development	25.11	52.08
Department of Agrarian Reform	21.66	15.06

Department/Agency	2019	2018
National Irrigation Administration	10.33	2.44
Department of Environment and Natural Resources	3.13	3.78
Department of Energy	1.30	2.78
Department of the Interior and Local Government	0.15	0.61
Others	9.54	13.06
Total	240.90	243.01

Status of NG Debt as at December 31, 2019

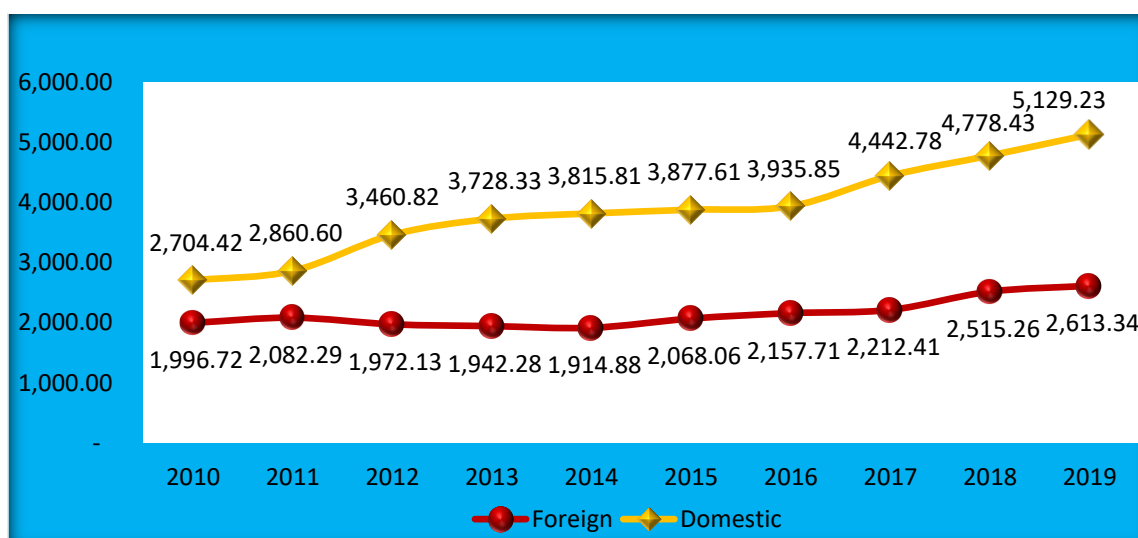
Over the ten-year period, the country's NG debt continuously increased with an average rate of 5.74 percent. FY 2019 registered an increase of P448.87 billion or 6.15 percent. Table V-9 shows the NG debt trend over the ten-year period from 2010 to 2019.

**Table V-9 Outstanding Balances of NG Debt
FY 2010 – FY 2019
(in billion pesos)**

Year	Amount				Percent Increase
	Domestic	Foreign	Total	Increase	
2019	5,129.23	2,613.34	7,742.57	448.87	6.15
2018	4,778.43	2,515.26	7,293.71	638.51	9.59
2017	4,442.78	2,212.41	6,655.19	561.63	9.22
2016	3,935.85	2,157.71	6,093.56	147.89	2.49
2015	3,877.61	2,068.06	5,945.67	214.97	3.75
2014	3,815.81	1,914.88	5,730.70	60.09	1.06
2013	3,728.33	1,942.28	5,670.61	237.66	4.37
2012	3,460.82	1,972.13	5,432.95	490.06	9.91
2011	2,860.60	2,082.29	4,942.89	241.75	5.14
2010	2,704.42	1,996.72	4,701.14		

Chart V-1 shows the NG debt increase by source, from FY 2010 to FY 2019.

**Chart V-1 NG Debt Growth
FY 2010 to FY 2019
(in billion pesos)**



Contingent Liabilities

Contingent liabilities arise from sovereign guaranty extended by the NG to the GCs for obtaining foreign loans. FY 2019 contingent liabilities of P488.75 billion was composed of GCs' foreign and domestic loans of P227.98 billion or 46.65 percent and P260.76 billion or 53.35 percent, respectively. The GCs with loans guaranteed by the NG are shown in Table V-10.

**Table V-10 Loans of Government Corporations Guaranteed
by the National Government
FY 2019
(in million pesos)**

Particulars	Amount
Power Sector Assets and Liabilities Management Corporation	250,138.38
National Food Authority	99,830.00
Development Bank of the Philippines	50,765.33
Land Bank of the Philippines	27,409.57
Bases Conversion and Development Authority	19,595.64
National Home Mortgage Finance Corporation	10,958.58
Metropolitan Waterworks and Sewerage System	7,453.25
Subic Bay Metropolitan Authority	5,178.01
Philippine National Bank	4,304.81
Philippine Ports Authority	3,107.25
Light Rail Transit Authority	3,097.75
Local Water Utilities Administration	2,347.51
Manila International Airport Authority	1,235.96
Philippine National Railways	1,165.12
Small Business Guarantee and Finance Corporation	866.61
National Power Corporation	541.77
Philippine Export-Import Credit Agency	374.69
Tourism Infrastructure and Enterprises Zone Authority	184.69
National Development Corporation	99.24
Philippine Economic Zone Authority	91.41
TOTAL	<u>488,745.57</u>

Excluded in the list are the contingent liabilities of NG under the Philippine Public-Private Partnership Program such as: build-operate and own, build-operate and transfer, build and transfer, and build-transfer and operate wherein the valuation of the extent of NG liabilities or exposure cannot be established in the absence of data regarding these projects. Also excluded in the NG contingent liabilities are the guarantees extended by the GFIs considering that there is no explicit NG guarantee and these are already part of the GFIs' contingent liabilities.

PART VI

SUMMARY OF

AUDIT OPINIONS



**COMMISSION ON AUDIT
NATIONAL GOVERNMENT SECTOR
For Calendar Year 2019**

PART VI - SUMMARY OF AUDIT OPINIONS

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
Cluster 1 - EXECUTIVE OFFICES					
1. Bureau of Broadcast Services (BBS)	✓				
2. Bureau of Communication Services (BCS)	✓				
3. Climate Change Commission (CCC)	✓				
4. Commission on Filipino Language (CFL)	✓				
5. Commission on Filipino Overseas (CFO)	✓				
6. Cooperative Development Authority (CDA)		✓			<ul style="list-style-type: none">Overstatement of the Financial Assets - Others consisting of accounts Investment in Stocks and Other Investment of ₱97.47 million and ₱14.91 million, respectively; Loans Receivables-Others of ₱297.49 million and Other Receivables of ₱46.60 million, all of which were considered impaired due to placements in investee-cooperative banks already closed and undergoing liquidation; insufficiency of supporting documents; remote collection of loans and receivables granted to closed/non-operational cooperatives, but not provided with Allowance for Impairment Loss.
7. Dangerous Drugs Board (DDB)		✓			Understatement of assets due to non-capitalization of a software program costing P0.93 million.
8. Department of Foreign Affairs (DFA)			✓		<ul style="list-style-type: none">Overstatement of accounts Cash - Collecting Officers and Accumulated Surplus/(Deficit) by ₱144.96 million and ₱8.19 million, respectively, and understatement of Cash in Bank - Foreign Currency Accounts by ₱136.77 million due to unrecorded deposits of ₱136.77 million and double recording of collections of ₱8.19 million;Overstatement of account Due from National Government Agencies (NGAs) - Procurement Service (PS) by ₱62.56 million for unrecorded deliveries and refunds made by PS;Overstatement of the carrying amounts of the Property, Plant and Equipment (PPE) and Accumulated Surplus/Deficit by ₱14.18 million and ₱0.21 million, respectively; and understatement of Accumulated Depreciation by ₱13.97 million due to non-depreciation of PPE totalling ₱30.33 million and recognition of items with acquisition cost below the capitalization threshold of ₱15,000.00;Overstatement of Accumulated Depreciation and understatement of the carrying amounts of PPE accounts by ₱2.99 million due to non-reversal of accumulated depreciation during reclassification and de-recognition of PPE;Overstatement of account Motor Vehicles by ₱64.66 million due to non-dropping from the books of vehicles that were fully depreciated/disposed/traded-in and no

Legend:

UM – Unmodified
M – Modified
Q – Qualified
A – Adverse
D – Disclaimer of Opinion

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					<p>longer reported in the Report on the Physical Count of PPE (RPCPPE) of Foreign Service Posts;</p> <ul style="list-style-type: none"> • Understatement of account Information and Communications Technology (ICT) Equipment under the Passport Revolving Fund by ₱16.96 million and the related Accumulated Depreciation and Depreciation Expense due to unrecorded delivery of 400 units of desktop and 28 units of laptop computer; • Overstatement of account Construction in Progress-Buildings and Other Structures by ₱1.68 million due to non-classification of the costs of construction, renovation/repairs of various facilities totalling ₱1.10 million to the proper PPE account upon completion, and inclusion in the account balance of the acquisition costs of land and building totalling ₱585.97 million; and • Understatement of accounts Prepaid Rent, Rent Expenses and Accumulated Surplus/ (Deficit) by ₱0.58 million, ₱3.14 million and ₱3.72 million, respectively, due to errors and omissions in recognizing expired portion of advance rental payments.
9. Film Development Council of the Philippines (FDCP)	✓				
10. Foreign Service Institute (FSI)		✓			<ul style="list-style-type: none"> • Account Subsidy from National Government was used to recognize remittance of the refund of excess cash advances instead of the account Cash, Treasury/Agency Deposit, Regular, thus understating the reported balance of both accounts by ₱87,808.93; • Computation of the amortization of computer software (CS) with net carrying amount of ₱0.63 million did not include 10 percent residual value resulting in the understatement of Amortization-CS and Accumulated Amortization-CS by ₱14,235.16 and ₱0.23 million, respectively; and overstatement of Accumulated Surplus/Deficit by ₱0.23 million; • Prepaid Insurance account was understated by ₱96,652.83 due to erroneous recording of property insurance for CY 2020 as direct expense, contrary to Section 2 (a) of the Government Accounting Manual (GAM), Volume 1; and • A grant in the amount of ₱0.10 million from a private company was erroneously recorded as Due to NGAs resulting in the overstatement of the account and understatement of the Trust Liabilities account by ₱49,961.81 as at December 31, 2019.
11. Games and Amusements Board (GAB)	✓				
12. Governance Commission for GOCCs (GCG)	✓				
13. Housing and Land Use Regulatory Board (HLURB)	✓				
14. Housing and Urban Development Coordinating Council (HUDCC)	✓				
15. Movie and Television Review and Classification Board (MTRCB)		✓			<ul style="list-style-type: none"> • Errors and non-conformity in the recognition and computation of depreciation resulted in the understatement of accumulated depreciation and overstatement of PPE accounts by ₱4.98 million;

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					<ul style="list-style-type: none"> Understatement of the Other Prepayment accounts by ₱11,065.49 and overstatement of Taxes, Duties and Licenses by ₱10,805.45, and Cable, Satellite, Telegraph and Radio Expenses by ₱260.04 due to errors in the computation of the expired portion of the prepayment accounts; Incomplete/errors in recording/posting of transactions of Due from NGAs and Other Payables totalling to ₱0.26 million; and Payment of the Program on Awards and Incentives for Service Excellence (PRAISE) incentive amounting to ₱1.27 million was erroneously charged as Traveling Expenses instead of to the Other Personnel Benefits account.
16. National Archives of the Philippines (NAP)	✓				
17. National Anti-Poverty Commission (NAPC)	✓				
18. National Commission on Culture and the Arts (NCCA)		✓			<ul style="list-style-type: none"> Constructed training center and equipment amounting to ₱9.21 million and ₱61,710.00, respectively, acquired out of the fund transfer to a non-government organization (NGO) were not recorded resulting in the understatement of the affected PPE accounts.
19. National Commission on Indigenous Peoples (NCIP)	✓				
20. National Commission on Muslim Filipinos (NCMF)		✓			<ul style="list-style-type: none"> Understatement (net) of Cash in Bank - Foreign Currency, Savings Account and Trust Liabilities accounts by ₱11.51 million due to unrecorded disbursements of the CY 2019 mutawiff fees and other related expenses for Hajj operation.
21. National Historical Commission of the Philippines (NHCP)	✓				
22. National Library of the Philippines (NLP)	✓				
23. National Printing Office (NPO)			✓		<ul style="list-style-type: none"> Book balance of the account Cash in Bank - Local Currency, Current Account (LCCA) amounting to ₱703.03 million was understated by a net of ₱93.35 million due to the non-recognition of reconciling items requiring adjustments and corrections; Book balance of the Accounts Receivable amounting to ₱131.32 million was overstated by ₱0.47 million due to a recording error, and understated by ₱26,892.35 due to unadjusted negative balances; PPE carrying amount of ₱519.87 million was overstated by ₱24.66 million as a result of various deficiencies, such as: (a) inclusion of repairs and maintenance and semi-expendable items with carrying amount of ₱0.63 million; (b) equipment costing ₱21.05 million delivered in CY 2020 was taken up in CY 2019; and (c) erroneous computation of depreciation aggregating ₱2.98 million; Accounts Other Business Income and Income from Printing and Publication were overstated by ₱0.28 million and ₱28,612.00 (net), respectively, and the Rent/Lease Income account was understated by ₱0.30 million due to the random recording of various income without regard to the GAM's Revised Chart of Accounts, and the non-accrual of income;

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					<ul style="list-style-type: none"> Various compensation expenses for overtime, Contract of Service (COS), and consultancy totalling ₱16.68 million were misclassified and booked under the account Salaries and Wages-Regular; and Account Other Professional Services totalling ₱11.83 million was overstated by a net of ₱74,547.83 due to the (a) non-accrual of the year-end services of COS personnel amounting to ₱0.15 million for CY 2018 and ₱0.72 million for CY 2019; (b) inclusion of consultancy services totalling ₱0.66 million; and (c) understated recording of COS personnel's services by P12,970.95 in the Journal Entry Voucher (JEV).
24. National Youth Commission (NYC)	✓				
25. News and Information Bureau (NIB)	✓				
26. Office of the President (OP)	✓				
27. Office of the Presidential Adviser on the Peace Process (OPAPP)		✓			Understatement (net) of accounts Financial Assistance to Local Government Units (LGUs), Due from LGUs, and Due from NGAs by ₱990.96 million, ₱116.99 million and ₱116.99 million, respectively; and overstatement (net) of accounts Accumulated Surplus (Deficit) and Accounts Payable by ₱990.60 million; and ₱0.36 million, respectively due to various accounting errors/omissions in the recording of liquidations of transferred funds.
28. Office of the Vice President (OVP)	✓				
29. Optical Media Board (OMB)	✓				
30. Philippine Commission on Women (PCW)	✓				
31. Philippine Competition Commission (PCC)	✓				
32. Philippine Drug Enforcement Agency (PDEA)		✓			Non-preparation of the required records and reports for the booked ₱47.76 million Semi-Expendable Property resulted in overstatement of Inventories by ₱47.76 million with corresponding understatement of the expenses account by ₱14.11 million and overstatement of Accumulated Surplus account by ₱33.65 million as at December 31, contrary to Paragraph 44 of Philippine Public Sector Accounting Standards (PPSAS) 12.
33. Philippine Information Agency (PIA)		✓			<ul style="list-style-type: none"> The Maintenance and Other Operating Expenses (MOOE) account was overstated by ₱26.48 million as a result of recording prior year expenses in the current year due to the late submission of liquidation documents; and The recorded balance of the PPE and Intangible Assets costing ₱411.82 million was overstated (net) of ₱0.27 million due to the (a) non-recording of land costing ₱0.96 million; and (b) unrecorded disposal of vehicle costing ₱1.24 million.
34. Philippine Racing Commission (PhilRaCom)		✓			<ul style="list-style-type: none"> Overstatement of Representation Expenses account by ₱3.45 million, Travelling Expenses - Local account by ₱0.92 million, Extraordinary and Miscellaneous Expenses account by ₱52,189.62 and Accumulated Surplus/(Deficit) account by ₱4,265.95 due to expenses for meals, gasoline, parking/toll fees, among others, erroneously charged to the said accounts; and Overstatement of Training Expenses account by ₱15,764.08 for airfare tickets for local travels recognized therein instead of Travelling Expenses - Local account.
35. Presidential	✓				

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
Broadcast Staff - RTVM (PBS-RTVM)					
36. Presidential Commission on Urban Poor (PCUP)	✓				
37. Presidential Communications Operations Office (PCOO)		✓			<ul style="list-style-type: none"> Undelivered information and IT equipment and software applications with a cost of ₱11.97 million were irregularly/erroneously recorded in the books of accounts as of December 31, 2019, overstating the accounts PPE and Accounts Payable; Media equipment donated by the Embassy of People's Republic of China with a fair value of ₱4.33 million were not recorded in the books of account as of December 31, 2019, understating the accounts PPE, Accumulated Depreciation and Income from Grants and Donations in Kind; Telephone Expenses account as at December 31, 2019 is overstated due to the inclusion of prior year expenditures totalling ₱0.68 million, contrary to the accrual basis of accounting prescribed under Section 6(b), Chapter 2, GAM, Volume I; and Account Repairs and Maintenance - Transportation Equipment is overstated while the Terminal Leave Benefits is understated due to the inadvertent charging of the monetization of leave credits totalling ₱0.24 million to repairs and maintenance; thus, contrary to the Revised Chart of Accounts prescribed in the GAM, Volume III.
38. Presidential Legislative Liaison Office (PLLO)	✓				
39. Presidential Management Staff (PMS)	✓				
40. Technical Cooperation Council of the Philippines (TCCP)	✓				
41. UNESCO National Commission of the Philippines (UNACOM)		✓			<ul style="list-style-type: none"> Non-reversion or closing of the balance of lapsed NCA for trust receipts and erroneous classification of accounts resulted in overstatement of the accounts Cash - Modified Disbursement System (Cash - MDS), Trust, Due to Other Funds and Accumulated Surplus/Deficit by ₱1.39 million, ₱38,225.26 and ₱1.35 million, respectively; and understatement of the accounts Cash - Treasury/Agency Deposit, Trust and Trust Liabilities by ₱1.39 million; Account Subsidy from National Government was debited instead of the account Cash, Treasury/Agency Deposit, Regular to recognize remittance of the refunds of excess cash advances, thus understating the reported balance of both accounts by ₱0.12 million; Audit disallowances in prior years' traveling expenses which became final and executory were recorded as credits to Traveling Expenses - Local and Travelling Expenses - Foreign, contrary to Section 46, Chapter 6 of the GAM, Volume I, which resulted in the understatement of the accounts Travelling Expenses - Local, Travelling Expenses - Foreign and Accumulated Surplus/Deficit by ₱3,344.00, ₱26,305.14 and ₱29,649.14, respectively; Erroneous and incomplete adjustments to the PPE accounts resulted in the overstatement of accounts Office Equipment and Accumulated Depreciation- ICT by ₱93,578.04 and ₱64,770.95, respectively, and understatement of ICT Equipment, Accumulated Depreciation-Office Equipment, Accumulated Amortization-Computer Software and

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					<p>Accumulated Surplus/Deficit by ₱93,578.04, ₱0.14 million, ₱7,861.74, and ₱84,379.09, respectively; and</p> <ul style="list-style-type: none"> Accounts Due to Government Service Insurance System (GSIS) and Due to Philippine Health Insurance Corporation (PhilHealth) were unreliable due to existence of abnormal/negative balances of ₱38,689.50 and ₱1,878.83, respectively. Moreover, erroneous adjustments made resulted in the understatement of accounts Due to Officers and Employees, and Due from Officers and Employees by ₱2,069.98 and ₱3,392.62, respectively, and net over/understatement of accounts Accumulated Surplus/Deficit and Due to GSIS by ₱2,860.82 and ₱4,183.47, respectively.
TOTAL	27	12	2	0	
Cluster 2 - Oversight and Public Debt Management Agencies					
1. Anti-Money Laundering Council (AMLC)		✓			<ul style="list-style-type: none"> Non-liquidation of cash advances as at year-end totalling ₱3.56 million; and Understatement of Accumulated Surplus/(Deficit) by ₱3.13 million due to erroneous recognition of prior period expenses in the current period.
2. Bureau of Customs (BOC)			✓		<ul style="list-style-type: none"> Unrecognized Accrued Tax Revenue as at December 31, 2019 representing unpaid duties and taxes plus interest for CYs 2018 and 2019 amounting to ₱591.17 million as required under International Public Sector Accounting Standards (IPSAS) 1, thus understating the accounts Tax Revenue, Accumulated Surplus/(Deficit), Interest Income and Accounts Receivable by ₱267.92 million, ₱46.62 million and ₱591.17 million, respectively; PPE, Accumulated Depreciation and Accumulated Surplus/(Deficit) overstated by ₱17.37 million, ₱0.69 million and ₱16.68 million, respectively, due to the failure to derecognize: a) Loss of Assets (Building and Structures) caused by fire; b) inexistent motor vehicles as a result of inspection and non-recognition of donated motor vehicles being used by the BOC; Stale checks amounting to ₱5.30 million were not restored back to cash, thus understating the recorded Cash in Bank - LCCA and Accumulated Surplus/(Deficit) by the same amount; and Expired Tax Credit Certificates amounting to ₱0.48 million were not derecognized in the books, thus overstating the recorded Tax Refund Payable and understating Accumulated Surplus/(Deficit) by the same amount.
3. Bureau of Internal Revenue (BIR)			✓		<ul style="list-style-type: none"> Unrecognized Forfeited Properties/Assets (FPA) and PPE totalling of ₱431.04 million and ₱197.39 million, respectively; Existence of abnormal subsidiary balances totalling ₱57.53 million which understated the affected accounts; Double recording of Buildings, ICT Equipment and Communications Equipment totalling ₱25.36 million; Unrecognized issuances of supplies and materials and expenses totalling ₱24.39 million; and Non-impairment of condemned building, unserviceable properties and obsolete computer software totalling ₱21.37 million.
4. Bureau of Local Government Finance (BLGF)		✓			<ul style="list-style-type: none"> Erroneous classification/ recognition of semi-expendable inventories and expenses overstated the Semi-Expendable Office Equipment, Semi-Expendable ICT Equipment, Semi-Expendable Furniture and Fixtures, Semi-Expendable Books, Accumulated Surplus/(Deficit), and

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					<p>Semi-Expendable Expenses-Office Equipment accounts by ₱0.27 million, ₱0.94 million, ₱3.57 million, ₱5,220.00, ₱4.70 million, and ₱44,260.00, respectively, and understated Donations and Office Supplies Inventory accounts by ₱0.11 million and ₱18,259.28, respectively;</p> <ul style="list-style-type: none"> • Recognition of excess depreciation over the assets' acquisition costs overstated Accumulated Depreciation for Office Equipment and Furniture and Fixtures accounts by ₱0.16 million and ₱93,568.77, respectively, and understated the Accumulated Surplus/(Deficit) account by ₱0.25 million.
5. Bureau of the Treasury - National Government (BTr-NG)			✓		<ul style="list-style-type: none"> • Closing of Cash - Treasury/Agency Deposit-Special Account to Accumulated Surplus/ (Deficit), erroneous recognition of BIR and BOC Value Added Tax (VAT) Refund and the erroneous recognition of disbursements/releases resulting in the net understatement of Cash - Treasury/Agency Deposit- Special Account of ₱19.19 billion and ₱611.97 billion, respectively, and the net overstatement of Cash - Treasury/Agency Deposit-Trust, Subsidy to NGAs and Accumulated Surplus/(Deficit) of ₱1.94 billion, ₱15.70 billion and ₱645.18 billion, respectively; and • Misapplication of six repayments to advances for various Government-Owned and/or Controlled Corporations (GOCCs)' loan and unbilled and unrecognized guarantee fees on guaranteed loans resulting in the understatement of Due from GOCCs, Guarantee Income and Interest Income by ₱1.69 billion, ₱266.35 million and ₱46.02 million, respectively, and overstatement of Interest Receivable by ₱1.38 billion.
6. Bureau of the Treasury (BTr) - Proper		✓			<ul style="list-style-type: none"> • Erroneous/non-recording of rent/lease income of ₱3.67 million resulting in the understatement of Other Receivables and Rent/Lease Income by the same amount; and • Non-classification of PPE to Semi-Expendable PPE expense accounts of ₱1.40 million and the misclassification of the liability account of ₱2.21 million resulting in the understatement of Semi-Expendable Expense-Furniture and Fixtures, Semi-Expendable Expense-Machinery and Equipment, Other Payables and Accumulated Surplus/(Deficit) by ₱0.39 million, ₱28,894.52, ₱2.06 million, and ₱0.16 million, respectively, and overstatement of Accumulated Depreciation, PPE and Due to NGAs by ₱0.98 million, ₱1.40 million and ₱2.21 million, respectively.
7. Central Board Assessment Appeals (CBAA)	✓				
8. Communication on Population and Development (CPD)		✓			<ul style="list-style-type: none"> • Non-recognition of issuance of office supplies and semi-expendable properties to end-users totalling ₱10.77 million; • Recognition of inventories and PPE which were not yet delivered and services not yet rendered as payable totalling ₱1.92 million; and • Erroneous recognition of payment for airfare bookings to Procurement Service.
9. Department of Budget and Management (DBM)		✓			<ul style="list-style-type: none"> • Non-recognition of issuance of office supplies and semi-expendable properties to end-users totalling ₱3.85 million; • Non-recognition of receipt of PPE items amounting to ₱16.80 million; • Non-recognition of depreciation expenses for building from July 2017 to December 2019 of ₱28.16 million;

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					<ul style="list-style-type: none"> • Recognition of amortization expenses of ₱2.67 million one year after the acquisition of computer software; and • Non-recognition of prior years and current year expended portion of prepayments totalling ₱1.41 million
10. Department of Finance (DOF)		✓			<ul style="list-style-type: none"> • Unrecognized deliveries of ICT equipment understated ICT Equipment by ₱2.55 million and Accounts Payable by ₱1.41 million and Due from NGAs by ₱1.15 million; • Unrecognized various assets transferred by Millenium Challenge Account - Philippines understated the accounts Office Equipment, ICT Equipment, Communication Equipment, Technical and Scientific Equipment, Books, Buildings, Computer Software, Semi-Expendable PPE and Accumulated Surplus/(Deficit) by ₱93,348.00, ₱2.76 million, ₱0.45 million, ₱33,928.57, ₱0.27 million, ₱13.39 million, ₱1.91 million, ₱0.31 million and ₱19.22 million, respectively; • Non-derecognition of disposed motor vehicle overstated Motor Vehicles by ₱0.91 million and understated Accumulated Depreciation-Motor Vehicles by ₱0.86 million and Accumulated Surplus/(Deficit) by ₱45,250.00; • Erroneous classification of software not yet available for use pending delivery of some portion of the DOF Enterprise Resource Planning system software understated Development in Progress-Computer Software by ₱8.82 million, overstated Computer Software by ₱8.82 million with corresponding overstatement of both Amortization Expense-Intangible Assets and Accumulated Amortization - Intangible Assets by ₱1.09 million; • Erroneous classification of security surveillance equipment understated Military, Police and Security Equipment, Semi-Expendable Military, Police and Security Equipment, Accumulated Depreciation - Military, Police and Security Equipment by ₱5.21 million, ₱0.50 million and ₱0.58 million, respectively, and overstated ICT Equipment, Semi-Expendable ICT Equipment and Accumulated Depreciation - ICT Equipment by ₱5.21 million, ₱0.50 million and ₱0.58 million, respectively; and • Erroneous recognition of fund transfer overstated Due from GOCCs and understated Due from NGAs by ₱2.38 million.
11. Government Procurement Policy Board - Technical Support Office (GPPB-TSO)		✓			<ul style="list-style-type: none"> • Accounting errors/omissions misstated the Assets, Liabilities and Accumulated Surplus/(Deficit) accounts by ₱4.11 million, ₱0.23 million and ₱0.85 million, respectively; and • Various accounting deficiencies in recording and reporting financial transactions amounting to ₱21.47 million undermine the qualitative characteristics of the information in the financial statements.
12. Insurance Commission (IC)	✓				
13. Legislative - Executive Development Advisory Council (LEDAC)		✓			Reported Accounts Payable and Due to GSIS of ₱32,620.77 and ₱9,292.80, respectively, which have been both outstanding for more than two years remained unreverted to Accumulated Surplus/(Deficit), representing 26.40 percent of total liabilities.
14. Municipal Development Fund Office (MDFO)		✓			<ul style="list-style-type: none"> • Non-accrual of receivables and non-recognition of corresponding income understated both Other Receivables and Fines and Penalties-Business Income by ₱73.59 million; • Non-amortization of investments using the effective interest method understated Investments in Treasury Bonds - Local by ₱46.98 million, Taxes, Duties and

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					<p>Licenses by ₱17.34 million, Interest Receivables by ₱0.17 million, and Interest Income by ₱64.49 million;</p> <ul style="list-style-type: none"> • Non-computation of accrued interest income understated Interest Receivables by ₱27.10 million and overstated Investments in Treasury Bond-Local by the same amount; and • Non-accrual of amortization on bond discount/premium and interest income at year-end overstated Investments in Treasury Bonds-Local by ₱1.10 million and understated Interest Income by ₱78.34 million, Taxes, Duties and Licenses by ₱15.89 million and Interest Receivables by ₱63.55 million.
15. National Economic and Development Authority (NEDA)	✓				
16. National Tax Research Center (NTRC)	✓				
17. Philippine National Volunteer Service Coordinating Agency (PNVSCA)		✓			<ul style="list-style-type: none"> • Non-recognition as Intangible Assets the cost of two Audio Visual Presentations (AVPs) and Radio Plug; and Volunteer Management System (VMS) Toolkit in the amount of ₱0.99 million and ₱0.70 million, respectively, but had directly charged the same to Other Professional Services and Consultancy Services resulting in the understatement of asset accounts and overstatement of expense accounts by the same amount as at year-end.
18. Philippine Statistical Research and Training Institute (PSRTI)	✓				
19. Philippine Statistics Authority (PSA)	✓				
20. Privatization Management Office (PMO)		✓			<ul style="list-style-type: none"> • Retained collections recognized as Other Business Income amounting to ₱65.30 million lacked prior approval of the Privatization Council, and ₱0.19 million was not among those where the PMO is authorized to retain, thus, accuracy/ reliability of the same cannot be fully ascertained; and • Due to NGAs and Accumulated Surplus/(Deficit) were understated by ₱7.20 million due to under recognition of unpaid COA audit fees by the Asset Privatization Trust.
21. Procurement Service (PS)		✓			<ul style="list-style-type: none"> • Non-recognition of service fees of ₱14.57 million despite the completion of the procurement activities and the issuance of the Notice of Award for the contracts; • Recognition of sales for operational use of Common Use Supplies and Equipment (CSE) and Non-CSE; and • Misclassification of collections from fees charged for the minutes of meeting of various procurement activities and the liquidated damages from delayed delivery by the supplier.
22. Public-Private Partnership Center of the Philippines (PPPCP)	✓				
23. Securities and Exchange Commission (SEC)	✓				
24. Tariff Commission (TC)	✓				
Total	9	12	3	0	

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
Cluster 3 - Legislative, Judiciary and Constitutional Offices					
1. Career Executive Service Board (CESB)	✓				
2. Commission on Appointments (CA)	✓				
3. Commission on Audit (COA)		✓			<ul style="list-style-type: none">• Various accounting errors/deficiencies in the recording of transactions and classification of accounts resulting in the overstatement of Receivables by ₱13.40 million, PPE by ₱8.75 million, and Liability accounts by ₱5.97 million; and understatement of Intangible Assets by ₱13.38 million, and Equity by ₱4.63 million;• Accuracy and reliability of the account Due from GOCCs in COA Regional Office (RO) III totalling ₱25.42 million as at December 31, 2019 was doubtful due to, among others, dormant accounts totalling ₱1.70 million; and• Correctness and existence of the PPE accounts with total book value of ₱2.41 billion or 20.67 percent of the total assets of ₱11.64 billion cannot be ascertained due to: a) the failure to conduct the physical inventory taking; b) non-submission of RPCPPE; and c) non-reconciliation between Property and Accounting records.
4. Commission on Elections (COMELEC)			✓		<ul style="list-style-type: none">• Unreliable year-end balance of the Cash - Collecting Officers (COs) account amounting to ₱10.54 million due to, among others, existence of negative Subsidiary Ledger (SL) balances of various COs - ₱4.66 million; and inclusion of SL captioned as “For Reconciliation” - ₱1.46 million, the nature and details of which could not be verified;• Unreliable year-end balance of the Cash in Bank - LCCA account amounting to ₱2.20 billion due to, among others, existence of SLs captioned as “For Reconciliation” of ₱302.80 million;• Balance of the Due from NGAs - PS-DBM account amounting to ₱38.43 million as at December 31, 2019 remained doubtful due to, among others, unrecorded deliveries of supplies and materials - ₱31.41 million; and inclusion of two cancelled checks - ₱0.74 million;• Balance of Inter-Agency Receivables account at year-end amounting to ₱1.03 billion could not be ascertained due to existence of dormant balances - ₱837.34 million or 81 percent of the total balance, contrary to COA Circular No. 2016-005; and existence of SLs with negative balance of ₱74.03 million captioned as “For Reconciliation”;• Long outstanding receivables from retired/resigned/inactive officials/employees of the Commission and various suppliers totalling ₱389.72 million and overpayment of salaries, excess overtime and other benefits of various employees amounting to ₱17.35 million due to the failure of management to enforce collections/settlements thereof; and dormant and unsettled disallowances/charges;• Unreliable year-end balance of the Inventory Held for Consumption accounts amounting to ₱1.92 billion due to, among others, existence of SLs captioned as “For Reconciliation” with a total negative balance of ₱518.82 million;• Doubtful year-end balances of the Semi-Expendable Machinery and Equipment and Semi-Expendable Furniture, Fixtures and Books accounts amounting to ₱131.50 million and ₱52.16 million, respectively, due to the inclusion of prior years’ unrecorded issuances of ₱85.75 million, resulting in the overstatement of the

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					<p>Inventory and Accumulated Surplus/Deficit accounts; and SLs balance captioned as “Various Semi-Expendable” amounting to ₱37.44 million, without details;</p> <ul style="list-style-type: none"> • Reliability of the balance of Advances account as at December 31, 2019 amounting to ₱3.83 billion could not be ascertained due to, among others, inclusion of negative sub-SL balances totalling ₱256.78 million which decreased the total balance of the account; existence of negative SLs and sub-SLs captioned as “For Reconciliation” amounting to ₱72.88 million without nature and details; and unrecorded submitted Liquidation Reports amounting to ₱244.80 million; • Accuracy, existence and reliability of the year-end balance of the Deposit on Letters of Credit totalling ₱4.92 billion or 24 percent of the Total Current Assets, could not be ascertained due to the absence of supporting schedules/ breakdowns amounting to ₱4.64 billion; and per bank confirmation, no such balance of ₱4.92 billion thus, appeared to be non-existing; • Doubtful existence, accuracy and reliability of the PPE accounts totalling ₱9.95 billion as at December 31, 2019 due to discrepancy between the accounting and property records of ₱2.76 billion; and existence of SLs captioned as “For Reconciliation” amounting to ₱5.39 billion; • Accuracy and reliability of the Accounts Payable and Other Payables accounts totalling ₱5.84 billion could not be ascertained due to, among others, SL balances not supported with documents amounting to ₱5.59 billion or 96 percent of the total balance; existence of negative SL balances- ₱588.61 million; existence of “For Reconciliation” SLs- ₱470.70 million; and unrecorded Accounts Payable amounting to ₱0.70 million; • Accuracy and reliability of the Due to Officers and Employees account as at December 31, 2019 of ₱203.01 million could not be ascertained due to, among others, absence of supporting documents; • Unreliable reported year-end balance of the Inter-Agency Payables to BIR, GSIS and Pag-IBIG totalling to ₱239.70 million due to, among others, existence of “For Reconciliation” SLs and sub-SLs with total negative balance of ₱418.44 million; and existence of negative sub-SL balances totalling ₱85.13 million due to improper posting; and • Unreliable reported balance of Training Expenses account totalling ₱1.11 billion as at December 31, 2019 due to erroneous classification of traveling expenses totalling ₱150.97 million, contrary to Section 27 of PPSAS 1.
5. Commission on Human Rights (CHR)	✓				
6. Court of Tax Appeals (CTA)	✓				
7. House of Representatives (HOR)	✓				
8. House of Representatives Electoral Tribunal (HRET)	✓				
9. Office of the Ombudsman		✓			<p>There are errors and deficiencies totalling ₱357.61 million affecting Asset and ₱2.37 million affecting Equity accounts, respectively, that have impact on the fair presentation of the year-end balance of assets, liabilities and net assets/equity.</p>

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
10. Presidential Electoral Tribunal (PET)		✓			<ul style="list-style-type: none"> • Unwithheld taxes on Expense Allowances of ₱1.17 million granted in January, February and some in November 2019, and ₱3.66 million paid in July to December 2018 to acting officials and employees of the PET, contrary to BIR Revenue Memorandum Circular Order No. 23-2014 dated June 20, 2014, thus deprived the government of much-needed revenues; and • Overstatement of Other MOOE account by ₱1.17 million and Accumulated Surplus and Deficit account by ₱3.66 million, and understatement of the Cash - MDS, Regular account by ₱4.83 million due to charging of expense allowances against the General Fund, although not among the commutable or reimbursable allowances allowed under the GAA.
11. Sandiganbayan		✓			<ul style="list-style-type: none"> • Lack of adequate accounting controls in the efficient processing and recording of transactions has resulted in: a) discrepancies totalling ₱1.87 million between the General Ledger (GL) and the corresponding accounts in the financial statements (FSs); and b) erroneous classification of accounts with balances totalling ₱5.69 million; and • Doubtful accuracy and reliability of the year-end balance of the Due from NGAs - PS-DBM account amounting to ₱0.21 million due to discrepancy of P96,435.08 with the inter-agency reciprocal account Due to NGAs maintained by the PS.
12. Senate Electoral Tribunal (SET)	✓				
13. Senate of the Philippines	✓				
14. Supreme Court of the Philippines (SCP)			✓		<ul style="list-style-type: none"> • Unreliable Cash - Collecting Officers account with a balance of ₱285.59 million at year-end due to: <ul style="list-style-type: none"> a) undeposited collections of ₱276.53 million by unidentified accountable Special Collecting Officers (SCOs); b) significant discrepancy of ₱510.69 million between the account's balances per GL of the eNGAS and per SLs of the in-house Revenue Monitoring System; c) existence of abnormal or negative balance totalling ₱28.47 million; d) unsupported book adjustments of ₱10.51 million; e) delayed recording of collections and deposits of ₱767.02 million and ₱770.79 million, respectively; and f) unreported collections and deposits of undetermined amounts. • Inaccurate balance of the Cash in Bank - LCCA account totalling ₱1.14 billion at year-end due to: <ul style="list-style-type: none"> a) variances between the book and bank balances of eleven bank accounts caused by unadjusted book and bank reconciling items in the net amounts of ₱88.44 million and negative ₱9.49 million, respectively; b) Trust Receipts account of ₱4.13 million unconfirmed by the bank; c) unrecorded two dormant bank accounts totalling ₱2.06 million; d) absence of Bank Reconciliation Statements (BRs) for the SAJ Fund-LC bank account of ₱0.12 million, Fiduciary Fund bank account of ₱125.74 million and for the 154 bank accounts amounting to ₱1.18 million maintained by Special Disbursing Officers (SDOs) for cash advances on MOOE; e) closure of various dormant bank accounts with a net debit balance of ₱274.00 million with insufficient supporting documents;

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					<p>f) inclusion of two closed bank accounts with an abnormal or credit balance in the net amount of ₱8.46 million;</p> <p>g) inclusion of inactive non-interest bearing bank accounts for Continuous Form Check of ₱267.92 million; and</p> <p>h) discrepancy in the negative amount of ₱3.69 million between the account and related Trust Liabilities accounts;</p> <ul style="list-style-type: none"> • Inaccurate balance of the account Cash in Bank-Local Currency Savings Account (LCSA) of ₱21.00 billion at year-end due to a) discrepancy of ₱714.95 million between the book and bank balances of the agency's savings accounts; b) absence of BRS on savings accounts totalling ₱16.48 billion; c) unrecorded collections and deposits of ₱770.79 million; d) unadjusted book reconciling items totalling ₱422.92 million; and f) inclusion of dormant and closed bank accounts amounting to ₱7.24 million; • Incorrect balance of the Due from NGAs account of the Office of the Court Administrator (OCA)/Lower Courts amounting to ₱200.58 million at year-end due to a discrepancy of ₱162.32 million between the account's balance and the reciprocal payable account in the books of the PS-DBM, which was partly caused by: a) unrecorded supplies worth ₱49.55 million delivered by the PS-DBM; b) double recording of supplies costing ₱1.69 million delivered by the PS-DBM; and c) difference of ₱4.02 million between the advance payments recorded per books of the OCA/Lower Courts and per PS-DBM books; • Bail bonds and Sheriffs' fees of the OCA/Lower Courts amounting to ₱80.88 million and ₱3.54 million respectively, collected from litigants by the Special Collecting Officers (SCOs) of lower courts nationwide, were entrusted to Treasurers of LGUs as custodians, instead of depositing the same to an authorized government depository bank (AGDB), thus deprived the government of interest income due therefrom and exposed the funds to possible risk of loss or misuse; collections which were recorded under the Due from LGUs account, disclosed discrepancies compared with the amounts confirmed by the LGU Treasurers by ₱3.66 million for Fiduciary Fund and ₱44,773.33 for Sheriffs' Trust Fund; and adjustments of ₱60.61 million made to the account were not supported by valid documents. Thus, the Due from LGUs account was unreliable due the foregoing deficiencies; • Incorrect Inventory accounts totalling ₱698.77 million at year-end due to a) non-physical count of various supplies and materials costing ₱511.03 million and non-submission of the corresponding Reports on the Physical Count of Inventories (RPCIs), casting doubts on the physical existence and accuracy of the recorded inventories; b) shortages of ₱0.10 million and overages of ₱0.44 million in the balances of inventories per RPCI of the OCA/Lower Courts compared with their property records; c) unrecorded supplies worth ₱32.27 million delivered by the PS-DBM to the OCA/Lower Courts; d) unreported issuance of Official Receipts (ORs) and checks costing ₱7.18 million recorded under the Accountable Forms Inventory account resulting in dormant balances in the account; and e) inventories with negative entries/balances amounting to ₱3.22 million; • Unliquidated cash advances to officers and employees totalling ₱59.11 million at year-end, of which the amount

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					<p>of ₱11.31 million pertains to multiple outstanding cash advances of the Regular Disbursing Officer (RDO), thus exposing such funds to risk of loss, misuse, or misapplication; and dormant negative balance of ₱0.54 million previously recorded in the Advances to SDOs account was closed without analysis and reconciliation with other related or affected accounts, rendering the account unreliable; and</p> <ul style="list-style-type: none"> • Inaccurate net book value of the PPE accounts of ₱3.73 billion at year-end due to: a) discrepancy of ₱1.17 billion between the balances of some PPE accounts per books and per RPCPPE; b) buildings costing ₱13.08 million unrecorded in the Buildings account; c) unfinished buildings costing ₱24.47 million unrecorded under the Construction in Progress (CIP) – Buildings and Other Structures account; d) erroneous recording of land improvements amounting to ₱4.75 million under the Buildings account and the Repairs and Maintenance - Buildings and Other Structures account in the amounts of ₱2.55 million and ₱2.20 million, respectively; e) non-provision of depreciation for PPE amounting to ₱1.38 million; and f) inclusion of accumulated depreciation of ₱0.78 million for PPE already dropped from the books.
TOTAL	8	4	2	0	
Cluster 4 - Defense and Security					
1. AFP-Commissary and Exchange Service (AFPCES)	✓				
2. Armed Forces of the Philippines - General Headquarters (AFP-GHQ)	✓				
3. Bureau of Corrections (BuCor)		✓			<ul style="list-style-type: none"> • Accounting errors of ₱66.78 million and various accounting deficiencies amounting to ₱6.82 million which affected the fair presentation of the FSs.
4. Bureau of Fire Protection (BFP)		✓			<ul style="list-style-type: none"> • Accounting errors totalling ₱1.53 billion representing unrecorded receipt and issuances of assets; misclassification of various accounts; error in recording; unrecorded advances to contractor and erroneous computation of depreciation; as well as accounting deficiencies totalling ₱14.32 billion representing unliquidated cash advances; lapses in the receipt, maintenance, issuances and recording of PPEs, among others.
5. Bureau of Immigration (BI)	✓				
6. Bureau of Jail Management and Penology (BJMP)	✓				
7. Department of Justice (DOJ)		✓			<ul style="list-style-type: none"> • Accounting errors totalling to ₱60.20 million which affected the fair presentation of the financial statements due to unrecorded book reconciling items of ₱0.11 million, unrecorded collections and non-recording of deposits of ₱39,059.00 and ₱38,984.00, respectively, double recording of collections and deposits of ₱6,777.00, under collection of fees of ₱3,695.00, semi-expendable items classified as Office Equipment, Furniture and Fixture, IT Equipment and Software of ₱54.44 million and misclassification of assets totalling to ₱5.56 million. • Accounting deficiencies totalling to ₱545.63 million due to unreconciled records with SLs resulting in discrepancy of

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					<p>₱1,823.00; absence of periodic reconciliation between Accounting Office and CO amounting to ₱908.00; the difference between the records of the DOJ and the implementing agencies (IAs) totalling to ₱10.23 million; various journal entries without supporting documents of ₱1.93 million; journal entries taking up inter-agency fund transfers not supported with documents totalling to ₱16.87 million; the absence of corresponding breakdown or details amounting to ₱4.79 million; the unrecorded issuance of Other Supplies and Materials Inventory in prior years without supporting documents of ₱0.63 million; difference between the records of Accounting Division and the Supply Section totalling to ₱2.61 million; and the difference between the book balances of PPE accounts and the submitted RPCPPE totalling to ₱508.58 million.</p>
8. Department of National Defense (DND)		✓			<ul style="list-style-type: none"> Various accounting errors and omissions and deficiencies in the recording of transactions and classification of accounts which resulted in the understatement of Receivables by ₱25,500.00, Income by ₱9.62 million, Expense and Liability accounts by ₱10.65 million each; and overstatement of PPE by ₱75.01 million and Equity by ₱84.60 million. The errors and omissions represent 13.90 percent of the total Assets.
9. Department of the Interior and Local Government (DILG)		✓			<ul style="list-style-type: none"> Accounting errors and omissions totalling ₱159.73 million resulted in the misstatement of affected accounts in the Consolidated FSs; and Accounting deficiencies in recording and reporting financial transactions totalling ₱906.10 million undermined the quality of information presented in the FSs.
10. Land Registration Authority (LRA)		✓			<ul style="list-style-type: none"> Various misstatements that affect the assets and equity accounts amounting to ₱466.20 million which exceeded the materiality level of ₱48.15 million.
11. Local Government Academy (LGA)	✓				
12. National Bureau of Investigation (NBI)		✓			<ul style="list-style-type: none"> Misstatement amounting to ₱53.94 million which is higher than the materiality level of ₱8.23 million.
13. National Defense College of the Philippines (NDCP)	✓				
14. National Police Commission (NAPOLCOM)		✓			<ul style="list-style-type: none"> Accounting errors/omissions in recording transactions amounting to ₱141.02 million resulted in the misstatement of the affected accounts in the FSs; and Various accounting deficiencies in recording and reporting financial transactions totalling ₱4.96 million undermined the qualitative characteristics of the information in the FSs.
15. Office of Civil Defense (OCD)	✓				
16. Office of the Government Corporate Counsel (OGCC)		✓			<ul style="list-style-type: none"> Accounting errors amounting to ₱5.21 million or 9.52 percent of total Assets exceeded the materiality level of ₱1.09 million.
17. Office of the Solicitor General (OSG)	✓				
18. Parole and Probation Administration (PPA)		✓			<ul style="list-style-type: none"> Accounting errors amounting to ₱9.85 million or 3.58 percent of total Assets, which exceeded the materiality level of ₱1.37 million.
19. Philippine Air Force (PAF)	✓				
20. Philippine Army (PA)		✓			<ul style="list-style-type: none"> Accounting errors and omissions totalling ₱2.15 billion resulted in the misstatement of affected accounts which

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					cast doubt on the fair presentation of the PA's Consolidated FSs; and <ul style="list-style-type: none"> Accounting deficiencies in recording and reporting financial transactions totalling ₱2.00 billion undermined the quality of information presented in the FSs.
21. Philippine National Police (PNP)	✓				
22. Philippine Navy (PN)	✓				
23. Philippine Public Safety College (PPSC)		✓			<ul style="list-style-type: none"> Misstatements in the total assets equivalent to 4.51 percent due to the overstatement of the Other Assets accounts by ₱73.36 million attributable to unrecorded expenses and doubtful collection of long-overdue advances affected the fair presentation of the FSs; also includes accounting deficiencies in the total amount of ₱1.51 billion.
24. Philippine Veterans Affairs Office (PVAO)		✓			<ul style="list-style-type: none"> Accounting errors and omissions affected the fair presentation of the FSs which represent 16 percent of the total Assets. The erroneous recording and classification of accounts resulted in the overstatement of Inventories by P4.51 million; and understatement of Cash in Bank by P241.83 million, PPE by P0.40 million, Liabilities by P0.59 million and Equity by P237.13 million.
25. Presidential Commission on Good Government (PCGG)	✓				
26. Public Attorney's Office (PAO)	✓				
27. Veterans Memorial Medical Center (VMMC)	✓				
TOTAL	14	13	0	0	
Cluster 5 - Education and Employment					
1. Bureau of Workers with Special Concerns-Social Amelioration Program (BWSC-SAP)	✓				
2. Commission on Higher Education (CHED)		✓			<ul style="list-style-type: none"> Misstatement of the account balances of Cash, Receivables, Inventories, PPE, Financial Liabilities and Accumulated Surplus/(Deficit) of the CHED-Central Office and six Regional Offices by ₱159.81 million as at December 31, 2019 due to errors in recording or non-recording of financial transactions, thus rendering the existence, completeness and accuracy of the balances thereof unreliable.
3. Department of Education (DepEd)		✓			<ul style="list-style-type: none"> Materially misstated Consolidated FSs by ₱25.55 billion on account of errors, omissions and improper accounting treatment of transactions that are considered as departures from the PPSAS, hence affecting the fair presentation of the financial position as at December 31, 2019, and financial performance and cash flows for the year then ended.
4. Department of Labor and Employment (DOLE)	✓				
5. Early Childhood Care and Development Council (ECCDC)		✓			<ul style="list-style-type: none"> Three out of five Asset accounts and one Expense account have misstatements totalling ₱274.46 million and ₱1.80 million, respectively, representing 17.62 percent of total Assets of ₱1,567.57 million as at December 31, 2019. Due to the significant impact of such misstatements on the reported balances of the affected accounts, the accuracy,

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					<p>valuation, completeness, and existence of the said accounts could not be relied upon. The details are as follows:</p> <p>a) Understatement of the Due from LGUs account due to over recording of liquidations submitted by four LGUs totalling ₱5.05 million;</p> <p>b) Overstatement of the Due from GOCCs account due to unrecorded transactions between ECCDC and Philippine International trading Corporation (PITC) totalling ₱52.67 million;</p> <p>c) Overstatement of the Property and Equipment for Distribution Inventory account pertaining to National Child Development Center (NCDC) contents totalling ₱216.72 million purportedly delivered to intended recipients but remained unsupported by appropriate documents such as Delivery Receipts (DRs) and Property Transfer Reports (PTRs), hence were not appropriately dropped from the ECCDC's books; and</p> <p>d) Understatement of the Accumulated Impairment Losses - Office and ICT Equipment accounts due to improper recording of the de-recognition of unserviceable PPE through disposal by destruction totalling ₱21,978.55.</p>
6. Eulogio "Amang" Rodriguez Institute of Science and Technology (EARIST)		✓			<ul style="list-style-type: none"> • Various accounts under the Assets, Liabilities and Equity categories have misstatements totalling ₱64.11 million representing 6.03 percent of total assets of ₱1.06 billion as at December 31, 2019; and • Aggregate balance of ₱1.02 billion of the various Assets accounts as of December 31, 2019 is unreliable and of doubtful validity due to: a) non-preparation/submission of BRSs; b) absence of SLs and other necessary documents to ascertain the accuracy and reliability of the accounts PCF, Receivables and Advances; c) non-moving balance of Inventories sub-accounts carried in the books for several years; d) non-maintenance of Cash Disbursements Record and Report of Cash Disbursements; and e) non-conduct of physical count of inventories and PPE, and the reconciliation of Property and Accounting records.
7. Institute for Labor Studies (ILS)	✓				
8. Marikina Polytechnic College (MPC)		✓			<ul style="list-style-type: none"> • Accounting errors/omissions and deficiencies affected the fair presentation of the FSs, to wit: <ul style="list-style-type: none"> a. Various accounts under the Assets, Liabilities and Equity (including Revenue and Expenses) categories have misstatements totalling ₱2.84 million, which represent 0.61 percent of total Assets of ₱466.21 million as at December 31, 2019. Due to the significant impact of such misstatements on the reported balances of the affected accounts, the accuracy, completeness and existence of the said accounts could not be relied upon; and b. Aggregate balance of the various Assets accounts of ₱269.38 million as of December 31, 2019 is unreliable and of doubtful validity due to: a) absence of subsidiary records/documents to support beginning balances of Petty Cash Fund (PCF); b) absence of periodic reconciliation of records between the Agency and DBM-PS; c) non-maintenance of Property, Plant and Equipment Ledger Card (PPELC) by the Accounting Office; and d) presence of abnormal/negative balances on PPE accounts.
9. National Book Development Board (NBDB)	✓				

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
10. National Conciliation and Mediation Board (NCMB)	✓				
11. National Council for Children's Television (NCCT)	✓				
12. National Labor Relations Commission (NLRC)		✓			<ul style="list-style-type: none"> Total Misstatements of ₱12.54 million was found in Cash and Cash Equivalents, Inventories, PPE, Financial Liabilities and MOOE accounts due to accounting errors and omissions, thereby affecting the fair presentation of the FSs.
13. National Museum (NM)		✓			<ul style="list-style-type: none"> Errors, omissions and improper accounting treatment of transactions that are considered as departures from the PPSAS, hence affecting the fair presentation of the financial position as at December 31, 2019, and financial performance and cash flows for the year then ended, as follows: <ul style="list-style-type: none"> a) Misstatement in Receivables account of ₱4.03 million due to unrecorded receipt of airline tickets from PS-DBM; b) Misstatements in Advances account amounting to ₱4,918.50 due to misclassification of accounts; c) Misstatements in PPE accounts Land, Technical and Scientific Equipment, Buildings, Furniture and Fixtures, Other Machinery and Equipment, Works of Arts and Archaeological Specimens, Motor Vehicles, Watercrafts and CIP accounts totaling ₱904.41 million due to erroneous recording of transactions, failure to reclassify completed projects to proper PPE accounts, non-derecognition of vehicles already disposed and unrecorded/ unrecognized depreciation expense on late recorded PPEs; and d) Misstatements in Liabilities account totalling ₱12.94 million due to erroneous recording of transactions, unrecorded liability and income from receipt of grants and erroneous journal entries on the procurement funded by a donation.
14. National Wages and Productivity Commission (NWPC)	✓				
15. Overseas Workers Welfare Administration (OWWA)		✓			<ul style="list-style-type: none"> Some accounts contain misstatements amounting to ₱62.11 million which exceeded by ₱30.16 million the established materiality threshold of ₱31.95 million or one percent of the total expenditures for an expenditure-driven entity.
16. Philippine Normal University (PNU)		✓			<ul style="list-style-type: none"> FS accounts contain misstatements affecting the Assets, Liabilities and Equity accounts which were not adjusted in the books as of the period, as follows: <ul style="list-style-type: none"> a) Receivables account is understated by ₱6.73 million due to unrecorded billing to CHED for Academic Year (AY) 2019-2020 rendering the School Fees (Revenue) and Due to Operating Units understated by ₱3.83 million and ₱2.90 million, respectively; b) Inventories account is understated by ₱6.12 million due to erroneous classification of semi-expendable assets; c) PPE account is overstated due to unserviceable properties still booked as PPE amounting to ₱0.74 million while understating the Impairment Loss - PPE account by the same amount; and d) Expense account is misstated by ₱2.78 million due to: <ul style="list-style-type: none"> (a) erroneous recording of Prior Year's Salaries as Current Year's expense of ₱0.67 million; (b) unrecorded Current Year's Salaries Expense totalling

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					₱3.21 million; (c) Prior Year's Retirement and Life Insurance Premium (RLIP) (Government Contributions for GSIS) recorded as Current Year's expense amounting to ₱0.15 million; and (d) unrecorded RLIP for the unrecorded Current Year's Salaries Expense totalling ₱0.39 million and affecting the Accumulated Surplus/(Deficit), Due to GSIS and Due to Officers and Employees accounts.
17. Philippine Overseas Employment Administration (POEA)		✓			Net misstatement of ₱29.16 million was found in various accounts due to accounting errors and omissions. The significant impact of such misstatements in the CY 2019 year-end reported balances of these various class of accounts affected their accuracy, completeness, valuation, classification, existence and rights and obligations, hence resulting in unreliable FSs.
18. Philippine State College of Aeronautics (PhilSCA)		✓			<ul style="list-style-type: none"> Total misstatements aggregating to ₱8.24 million resulting from errors, omissions and improper accounting treatment of transactions as of December 31, 2019 exceeded the materiality threshold of ₱2.43 million, hence, the accuracy, completeness, occurrence, cut-off, classification and existence of the said accounts could not be relied upon; and Unresolved variances and huge discrepancies between PhilSCA accounting records and the supporting schedules/documents and unsubstantiated balances in the amount of ₱924.05 million were noted which affected the reliability of the Assets accounts totalling ₱1.01 billion as at December 31, 2019, contrary to Section 6.e, Chapter 19 of the GAM for NGAs, Volume I.
19. Polytechnic University of the Philippines (PUP)		✓			<ul style="list-style-type: none"> Cash and Cash Equivalents, Receivables, PPE and Revenue accounts contained unadjusted misstatements of ₱2.60 million, ₱0.17 million, ₱21,511.97, and ₱0.23 million, respectively, or a total of ₱3.02 million affecting the fair presentation of the FSs as at December 31, 2019.
20. Professional Regulation Commission (PRC)		✓			<ul style="list-style-type: none"> Understatement of Accounts Payable and Expense accounts due to erroneous entries made in the cancellation of stale checks amounting to ₱8,316.24; Overstatement of Due to NGAs and understatement of Inventories due to unrecorded deliveries from DBM-PS amounting to ₱1.21 million; Understatement of Inventory accounts due to unrecorded purchases amounting to ₱0.74 million; Overstatement of PPE and Accumulated Surplus/(Deficit) due to erroneous computation of Accumulated Depreciation and Depreciation Expense amounting to ₱222.00 million; Overstatement of Intangible Asset and Accumulated Surplus/(Deficit) due to non-derecognition of unserviceable/non-existent Computer Software amounting to ₱66.59 million; and Understatement of Accounts Payable and Cash in Bank due to non-reversion of stale checks of ₱81,776.84.
21. Technical Education and Skills Development Authority (TESDA)		✓			Total misstatements of ₱239.99 million due to accounting errors and omissions that are considered as departures from the PPSAs.
22. Technological University of the Philippines (TUP) System		✓			Total misstatements of ₱176.94 million were found in Cash and Cash Equivalents, Receivables, Inventories, PPE and Liabilities account, which exceeded the established materiality threshold of ₱4.33 million representing 0.50 percent of the total expenses for an expense-driven entity, by ₱172.61 million.
TOTAL	7	15	0	0	

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
Cluster 6 - Health and Science					
1. Advanced Science and Technology Institute (ASTI)		✓			PPE, Due from NGAs, Accounts Payable, Due to BIR and Accumulated Surplus/Deficit have total misstatements amounting to ₱91.97 million, ₱132.70 million and ₱9.32 million, representing 8.89 percent of total assets, 35.96 percent of total liabilities and 1.40 percent of the net assets/equity, respectively, as at December 31, 2019.
2. Council for the Welfare of Children (CWC)		✓			<ul style="list-style-type: none">• Cash and PPE accounts were misstated by ₱1.05 million or 0.93 percent of total assets, while the Liabilities accounts were misstated by ₱34,503.13 or 0.85 percent of the total liabilities as at December 31, 2019; and• Accounting deficiencies that affected the reliability and accuracy of the balances of the account in the FSs as at December 31, 2019.
3. Department of Health (DOH)			✓		<ul style="list-style-type: none">• Misstatements in the various accounts resulted in the understatement of the reported total Assets, Liabilities and Net Assets/Equity by ₱24.02 billion, ₱748.75 million and ₱15.78 billion, which represent 13.10 percent, 3.16 percent, and 9.89 percent of total Assets, Liabilities and Net Assets/Equity, respectively, with emphasis on the unrecorded value of land amounting to ₱16.42 billion by the San Lazaro Hospital; and• Presentation of financial statement balances and disclosures are unreliable due to having the CY 2018 corresponding figures presented in the CY 2019 FSs as not restated to reflect prior year errors and adjustments and non-conformance of the CY 2019 FSs with the required disclosures under Pro-Forma Notes to FSs of the GAM, Volume I.
4. Department of Science and Technology (DOST)		✓			Various accounts under the Asset, Liabilities, and Equity (including Income and Expenses) category have misstatements affecting the reported total assets, liabilities and equity by ₱53.69 million, ₱98.75 million and ₱31.73 million, respectively, which represent 0.37 percent, 11.80 percent and 0.23 percent of total assets, liabilities and equity, respectively.
5. Department of Social Welfare and Development (DSWD)		✓			Asset accounts of DSWD contain misstatements amounting to ₱919.83 million which represent 1.15 percent of its total assets as at December 31, 2019, while the total misstatements in Liabilities accounts amounted to ₱43.84 million or 0.15 percent of the total liabilities as at year-end.
6. Food and Nutrition Research Institute (FNRI)		✓			Accounting errors and omissions on the Receivables, PPE, Inter-agency Payables and Accumulated Surplus/(Deficit) accounts resulted in misstatements in the FSs by ₱29.86 million representing 7.81 percent of the total assets.
7. Industrial Technology Development Institute (ITDI)	✓				
8. Inter-Country Adoption Board (ICAB)		✓			<ul style="list-style-type: none">• Cash, Treasury/Agency Deposit, Receivables-Disallowances/Charges, Other Supplies Inventory and Office Supplies accounts were misstated by ₱13.08 million or 34.01 percent of the total assets, while the Trust Liabilities (PPCs), Due to Officers and Employees and Due to BIR accounts were misstated by ₱2.59 million or 14.50 percent of the total liabilities and Accumulated Surplus/(Deficit) was misstated by ₱10.47 million or 50.81 percent of Net Assets/Equity as at December 31, 2019; and• Accuracy, existence and reliability of Inventory, Due from NGAs and PPE accounts amounting to ₱0.04 million, ₱0.71 million and ₱4.77 million, respectively were affected

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					due to the deficiencies noted in the property and accounting records.
9. Juvenile Justice and Welfare Council (JJWC)		✓			Various accounts under the Assets, Liabilities and Equity (including Income and Expense) category were misstated by ₱9.31 million, ₱0.90 million and ₱7.13 million representing 11.00 percent, 30.31 percent and 8.74 percent of total Assets, Liabilities and Equity, respectively.
10. Metal Industry Research Development Center (MIRDC)		✓			The significant impact of the reported deficiencies totalling ₱352.76 million on the balances of the affected accounts or 76.20 percent of the total liabilities rendered Management's assertions on the accuracy and reliability of the account balances in the FSs doubtful.
11. National Academy of Science and Technology (NAST)		✓			PPE accounts have misstatements amounting to ₱1.75 million or 2.16 percent of total assets.
12. National Council on Disability Affairs (NCDA)		✓			Total misstatements amounted to ₱1.085 million which represents 2.84 percent of the total assets, while the liabilities and net assets/equity accounts were misstated by ₱0.369 million or 485.73 percent, and ₱0.715 million or 1.88 percent, respectively.
13. National Nutrition Council (NNC)		✓			Cash, Receivables, Inventories, PPE and Other Assets accounts were misstated by ₱460.07 million which represent 49.31 percent of total assets, while the Accumulated Surplus/(Deficit) account was misstated by ₱459.14 million which represent 53.16 percent of total net assets/equity as at December 31, 2019.
14. National Privacy Commission (NPC)		✓			Misstatements in Due from NGAs, Office Supplies Inventory and Semi-Expendable Inventory accounts amounting to ₱1.99 million which represent 2.86 percent of total assets of ₱69.54 million as at December 31, 2019.
15. National Research Council of the Philippines (NRCP)		✓			Total misstatements in PPE and Other Assets accounts amounted to ₱29.02 million which represented 22.08 percent of total assets, while Accounts Payable was misstated by ₱4.46 million or 7.10 percent of the total liabilities, and the Net Assets/Equity was misstated by ₱6.58 million or 9.59 percent of the total amount as at December 31, 2019.
16. National Telecommunications Commission (NTC)		✓			<ul style="list-style-type: none"> Asset accounts contain misstatements amounting to ₱37.86 million which represent 0.92 percent of total assets of ₱4.12 billion as at December 31, 2019; and The amount of ₱3.30 billion or 96 percent of the year-end balance of Accounts Receivables pertained to protested receivables with cases before courts and the NTC itself which had been pending for several years, and despite the perceived uncertainty in the probability of their collection, Management had not provided Allowance for Impairment, thus, significantly affecting the reliability of the year-end balance of Accounts Receivable of ₱3.44 billion which represents 83 percent of total assets.
17. Philippine Atmospheric Geophysical Astronomical Services Administration (PAGASA)		✓			Cash, Inventories and PPE accounts have misstatements totalling ₱125.34 million or 2.14 percent of total assets; while Financial Liabilities, Inter-Agency Payables, Trust Liabilities and Other Payables accounts have misstatements of ₱33.16 million or 8.55 percent of total reported Liabilities; and Net Assets/Equity had misstatements of ₱62.30 million or 1.14 percent of total amount as at December 31, 2019, thus, resulting in the over/understatement of the accounts affected.
18. Philippine Council for Health Research and Development (PCHRD)		✓			Other Supplies and Materials Inventory, Semi-expendable Properties, Technical and Scientific Equipment and ICT Equipment accounts have misstatements amounting to ₱1.19 million or 0.08 percent of total assets.
19. Philippine Council for Industry and		✓			Cash - Treasury/Agency Deposit, Trust, Due from NGAs, Due from NGOs/POs, Office Supplies Inventory, Semi-

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
Energy and Emerging Research Development (PCIEERD)					Expendable Property, PPE, and Other Prepayments accounts had total misstatements of ₱47.75 million which represent 1.83 percent of total assets as at December 31, 2019; while the Accounts Payable and Due to NGAs accounts were misstated by ₱42.23 million or 12.55 percent of total liabilities, and the Net Assets/Equity was misstated by ₱6.30 million or 0.28 percent of total amount as at year-end, resulting in over/understatements of the affected accounts.
20. Philippine Institute of Volcanology and Seismology (PHIVOLCS)		✓			Misstatements in: a) assets totalling ₱150.39 million representing 12.25 percent of the total assets of ₱1.23 billion; b) liabilities of ₱1.82 million or 2.44 percent of the total reported liabilities of ₱74.44 million; and c) Accumulated Surplus/ (Deficit) account of ₱17.90 million or 1.55 percent of the total equity of ₱1.15 billion.
21. Philippine Nuclear Research Institute (PNRI)		✓			Validity and accuracy of the year-end balances of the Receivables cannot be ascertained/established due to the failure to maintain subsidiary records, locate the pertinent supporting documents and effect necessary adjusting entries, as necessary, and likewise, distorted the fair presentation of the Agency's financial position, resulting in overstatement of the account Other Receivables by ₱6.62 million, Due from NGAs by ₱0.45 million, and understatement of the account Receivables-Disallowances/Charges by ₱92,104.45.
22. Philippine Science High School System (PSHSS)		✓			Total misstatements amounted to ₱61.10 million which represented 0.94 percent of the total Assets, while the Liabilities and Net Assets/Equity accounts were misstated by ₱8.24 million or 2.44 percent, and ₱49.69 million or 0.81 percent, respectively; and the accounts showed various accounting deficiencies totalling ₱391.24 million.
23. Philippine Textile Research Institute (PTRI)	✓				
24. Science and Technology Information Institute (STII)	✓				
25. Science Education Institute (SEI)		✓			Misstatements in: a) Cash and Receivables accounts amounting to ₱18.98 million which represent 0.22 percent of total assets; b) Other Payables account of ₱1.24 million or 0.98 percent of the total reported liabilities; and c) Accumulated Surplus/ (Deficit) account of ₱1.45 million or 0.02 percent of the total equity as at December 31, 2019.
26. Technology Application Promotion Institute (TAPI)		✓			Misstatements in: a) Other Receivables and PPE accounts amounting to ₱1.41 million which represent 0.16 percent of total assets; b) Accounts Payable and Other Deferred Credits of ₱218.56 million or 43.11 percent of total liabilities; and c) Net Assets/Equity of ₱218.56 million or 57.37 percent of total amount.
TOTAL	3	22	1	0	
Cluster 7 - Public Works, Transport and Energy					
1. Civil Aeronautics Board (CAB)	✓				
2. Department of Energy (DOE)	✓				
3. Department of Public Works and Highways (DPWH)			✓		<ul style="list-style-type: none"> Aggregate misstatements of ₱32.83 billion due to accounting errors, omissions and improper accounting treatment of transactions with details as follows: <ul style="list-style-type: none"> a) Overstatement of Receivables by ₱10.24 billion due to funds transferred to various Implementing Agencies remained unliquidated for more than 1 to more than 10

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					<p>years in spite completion of intended purposes, thus expended portion remained unrecognized; and other errors and omissions in recording Receivables accounts.</p> <p>b) Understatement of Advances to Contractors by ₱63.42 million due to errors in recording of audit disallowances and recoupment of advances.</p> <p>c) Net overstatement of PPE by ₱7.31 billion due to:</p> <ul style="list-style-type: none"> - Unrecorded PPE; - Non-derecognition of completed projects that are physically transferred and already in the possession of the end-users/recipient agencies; - Completed infrastructure projects not yet transferred or turned-over to the recipient agencies and/or end-users; - Erroneous/Non-provision of depreciation; - Impairment loss not provided on unserviceable properties; - Major repair and improvements of infrastructure assets and buildings not capitalized; - Disbursements charged against Engineering and Administrative Overhead erroneously recorded to inappropriate accounts; - Misclassification of semi-expendable properties as PPE; and - Other errors and omissions in recording PPE. <p>d) Net understatement of Accounts Payable amounting to ₱15.22 billion due to non-reversion of long outstanding/undocumented payables aged two years and above, unrecognized Accounts Payable from unbilled portion of the projects, and other errors and omissions in recording Accounts Payable; and</p> <ul style="list-style-type: none"> • Unreconciled balances of 34 accounts existing in the FSs of the DPWH - OSEC, Regions VII and XI, as of December 31, 2019, totaling ₱27.29 billion which requires further analysis, reconciliation, and corrective actions affected the reliability and fair presentation of the reported balances of the asset and liability accounts.
4. Department of Tourism (DOT)	✓				
5. Department of Transportation (DOTr)		✓			<p>Accounting errors and omissions in six (6) accounts amounting to ₱9.17 billion and accounting deficiencies totalling ₱7.23 billion:</p> <p>a) Cash and Cash Equivalents account was misstated as at year-end due to unrecorded bank credits of undetermined nature and IT fees for CY 2019 totalling to ₱366.71 million. This is a departure from IPSAS 4;</p> <p>b) Receivable account was misstated by ₱10.12 million due to unreconciled beginning balances, unrecorded deliveries from PS-DBM and erroneous recording of accrued expenses at year-end affecting the account;</p> <p>c) Inventory account was misstated due to unrecorded receipts of inventories of ₱137.72 million, unrecorded inventory issuances amounting to ₱213.49 million, unrecorded donation of 190 units of e-trikes of ₱101.31 million and non-derecognition of damaged inventories previously delivered, received and paid; obsolete and expired inventories; and obsolete, damaged and disposed inventory items amounting to ₱16.43 million;</p> <p>d) Prepayments account was misstated by ₱1.10 billion due to unrecorded recoupment of advance payment and non-recognition of unexpired portion of Fidelity Bond Premiums;</p>

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					<p>e) PPE account was misstated due to non-reclassification of completed infrastructure assets from CIP accounts to appropriate PPE accounts of ₱1.84 billion; failure to transfer completed infrastructure projects to recipient agencies/end-users having full control over the assets amounting to ₱5.24 billion; unrecorded properties transferred from the Central Office to the ROs of ₱45.09 million; misclassified project assets by ₱5.57 million; disposed unserviceable properties and derecognized from the books of accounts but were not supported with the required Inventory and Inspection Report of Unserviceable Property (IIRUP) of ₱11.75 million; inclusion of vacated buildings under usufruct amounting to ₱22.01 million and non-impairment of unserviceable PPE amounting to ₱13.07 million. This is a departure from IPSAS 17;</p> <p>f) Financial Liabilities account was misstated due to non-recognition of Other Income from penalties waived on extension granted without merit of ₱27.30 million, recognition of the liability account for goods/services not yet delivered/rendered amounting to ₱15.09 million and recognition of liability without valid documentation amounting to ₱4.20 million; and</p> <p>g) Various accounting deficiencies in six (6) financial accounts with an aggregate amount of ₱7.23 billion which requires further analysis, reconciliation, physical count/verification, coordination and future corrective actions with possible effects on the accuracy and reliability of the reported account balances of the Agency's FSs.</p>
6. Energy Regulatory Commission (ERC)	✓				
7. Intramuros Administration (IA)	✓				
8. Maritime Industry Authority (MARINA)		✓			<p>Net misstatements of ₱11.25 million due to the following accounting errors and omissions:</p> <p>a) Errors and misclassification in recording of collections and audit disallowance and corresponding settlements- ₱0.66 million;</p> <p>b) Non-derecognition of issued semi-expendable items- ₱5.41 million;</p> <p>c) Non-recognition of liquidation of cash advance on Confidential Funds and double recording of settlement- ₱0.20 million;</p> <p>d) Non-derecognition of disposed and unserviceable PPEs and errors in recording- ₱54,588.15;</p> <p>e) Non-reversion of accounts payable which remained unclaimed for more than two years and error in recognition of withheld retention fees- ₱4.73 million; and</p> <p>f) Under-recognition of income and error recognition of surcharges collected- ₱0.20 million.</p>
9. Metropolitan Manila Development Authority (MMDA)	✓				
10. Motor Vehicle Users' Charge Fund (MVUC)		✓			<p>Aggregate misstatements of ₱1.08 billion due to the following accounting errors and omissions:</p> <p>a) Net overstatement of PPE carrying value by ₱1.08 billion due to non-closure of CIP accounts for completed infrastructure and building projects and non-provision of impairment loss on unserviceable PPE; and</p>

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					b) Net understatement of Accounts Payable by ₱0.78 million due to unrecorded liabilities for completed infrastructure projects and non-reversion of long outstanding payables.
11. National Parks and Development Committee (NPDC)	✓				
12. Office for Transportation Security (OTS)	✓				
13. Office of Transportation Cooperatives (OTC)	✓				
14. Philippine Coast Guard (PCG)			✓		Aggregate misstatements of ₱428.46 million due to the following errors or omissions: a) Non-recognition of deliveries and returns of supplies and equipment from PS-DBM amounting to ₱27.85 million; b) Non-recognition of service fee charged on procurement by PITC amounting to ₱1.08 million; c) Non-recognition of various supplies and materials issuances without Requisition and Issue Slips amounting to ₱2.03 million; d) Various accounting errors/deficiencies resulting in net understatement of PPE accounts amounting to ₱130.82 million; e) Non-recognition of charges to Letters of Credits amounting to ₱256.14 million; and f) Non-recognition to Income for unspent/excess funds from sale of bidding documents amounting to ₱5.54 million.
15. Toll Regulatory Board (TRB)	✓				
TOTAL	10	3	2	0	
Cluster 8 - Agriculture and Environment					
1. Agricultural Credit Policy Council (ACPC)		✓			Errors and omissions amounting to ₱25.23 million exceeding the materiality level of ₱2.61 million: a) Unrecorded collection of loan payments received thru bank deposits- ₱20.14 million; b) Stale checks not reverted to cash- ₱1.53 million; c) Non-recognition of impairment loss for unserviceable property- ₱3.40 million; and d) Erroneous recording of loan collections inclusive of interest by crediting Other Payables instead of Loans Receivable- Others- ₱0.18 million.
2. Board of Investments (BOI)	✓				
3. Bureau of Fisheries and Aquatic Resources (BFAR)		✓			Accounting errors/omissions and deficiencies amounting to ₱1.01 billion which exceeded the materiality level of ₱213.99 million , consisting of: a) Unadjusted reconciling items- ₱0.24 million; b) Non-recognition of receivable for Fishpond Lease Agreement (FLA)- ₱3.25 million; c) Non-recognition of the impairment of receivables due to the expiration of the FLA- ₱4.59 million; d) Double recording of liquidation reports from LGUs- ₱5.38 million; e) Misclassification of various accounts- ₱630.50 million; f) Overstatement of Semi-Expendable Property due to non-recognition of expense for Semi-Expendables issued in prior years and erroneous reclassification of Other Assets due for disposal- ₱3.98 million; g) Overstatement of Inventory accounts due to recognition of inventory instead of proper expense account, non-

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					<p>derecognition of issued and delivered inventory and transferred equipment, non-reclassification of semi-expendable property, and capitalization of issued properties below ₱15,000.00 threshold- ₱39.88 million;</p> <p>h) Understatement of Inventory accounts due to the recognition of supplies expense outright- ₱0.82 million;</p> <p>i) Overstatement of PPE Accounts due to non-derecognition of the cost of completed Building since May 30, 2018 located in Jolo, Sulu- ₱0.27 million;</p> <p>j) Understatement of PPE accounts due to non-reclassification of completed projects from CIP to PPE accounts- ₱16.48 million;</p> <p>k) Understatement of Accumulated Depreciation of various PPE accounts due to recognition of the PPE at the time of payment of the equipment instead of at the time it was accepted and available for use- ₱26.19 million;</p> <p>l) Understatement of Biological Asset due to erroneous recording as expense- ₱1.68 million;</p> <p>m) Overstatement of the Prepaid Insurance due to non-recording of the expired portion- ₱1.01 million;</p> <p>n) Overstatement of Receivables due to recording of audit disallowances issued in CY 2011 despite pending appeal- ₱8.60 million;</p> <p>o) Understatement of Receivables due to non-recording of Disallowances with finality of decision and recording of settlements of disallowances prior to the issuance of Notice of Settlement of Suspensions, Disallowances and Charges (NSSDC) by the Auditor- ₱1.34 million;</p> <p>p) Understatement of various Payable accounts due to failure to set up deductions and liability prior to payment- ₱0.71 million;</p> <p>q) Overstatement of Accounts Payable and related expense accounts due to recording of liabilities that are not yet due and demandable and non-reversion of unliquidated balances outstanding for two years or more- ₱5.97 million;</p> <p>r) Understatement of Accounts Payable due to unrecorded claims of various creditors under due and demandable accounts- ₱18.92 million;</p> <p>s) Overstatement of current year expenses due to erroneous recording of expenses of prior year as current year- ₱5.40 million;</p> <p>t) Understatement of current year expenses due to erroneous recording as expenses of prior years- ₱0.92 million; and</p> <p>u) Non-maintenance, non-updating, non-moving and misclassification of Stock Ledger Cards and SLs- ₱233.47 million.</p>
4. Construction Industry Authority of the Philippines (CIAP)		✓			<p>Accounting errors/omissions amounting to ₱5.12 million, which is more than the materiality level of ₱4.55 million:</p> <p>a) Non-recording of issuances of inventories- ₱1.66 million; and</p> <p>b) Unrecorded rent income- ₱3.46 million.</p>
5. Department of Agrarian Reform (DAR)			✓		<p>Various accounting errors/omissions amounting to ₱808.55 million, which exceeded the materiality level of ₱38.66 million and accounting deficiency (non-maintenance of SLs) amounting to ₱559.67 million:</p> <p>a) Unrecorded transactions affecting various assets- ₱384.80 million;</p> <p>b) Unrecorded transactions and errors affecting various liabilities- ₱20.91 million;</p> <p>c) Unrecorded collections- ₱0.03 million;</p> <p>d) Overstatement/Non-existence of cash- ₱4.85 million;</p>

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					e) Misstatements/Overpayment relating to receivables- ₱3.48 million; f) Misclassification of accounts- ₱234.59 million; g) Misstatements/Non-provision of depreciation and impairment- ₱5.24 million; h) Unrecorded disposal of PPE- ₱9.87 million; i) Misstatements in recording of liquidations- ₱31.18 million; j) Missing PPEs- ₱3.03 million; k) Misstatements in recording PPE and inventory- ₱106.99 million; and l) Absence of proof of ownership/PTRs- ₱3.58 million.
6. Department of Agriculture (DA)		✓			Accounting errors/omissions amounting to ₱6.65 billion, consisting of: a) Understated cash account- ₱25.40 million; b) Understated receivable accounts- ₱613.68 million; c) Overstated Receivables-Disallowances/Charges account- ₱0.89 million; d) Overstated Inventory account- ₱4.22 billion; e) Understated Inventory account- ₱0.59 million; f) Understated PPE accounts- ₱121.49 million; g) Overstated PPE accounts- ₱1.51million; h) Understated Prepayments- ₱0.92 million; i) Overstated Accounts Payable accounts- ₱288.22 million; j) Understated Expense accounts- ₱179.60 million; k) Overstated Donations account- ₱231.09 million; l) Errors affecting Accumulated Surplus/(Deficit) accounts- ₱175.76 million; m) Misclassification affecting various assets accounts- ₱777.61 million; n) Misclassification affecting liability accounts- ₱4.57 million; and o) Misclassification of Expense accounts- ₱1.22 million.
7. Department of Environment and Natural Resources (DENR)		✓			<ul style="list-style-type: none"> Uncorrected misstatements in an aggregate amount of ₱2.24 billion which exceeded the materiality threshold: a) Unrecorded deposit, unadjusted reconciling items, unreleased checks at year-end, and closed bank account still recorded in the books- ₱14.68 million; b) Stale checks not reverted to cash- ₱1.59 million; c) Understated Cash in Bank – Foreign Currency, Savings Account (FCSA) due to various unrecorded transactions- ₱2.30 million; d) Unrecorded liquidation of fund transfers- ₱0.04 million; e) Non-recording of issuances of inventory items and unrecorded receipt and issuance of inventories from PS-DBM- ₱37.98 million; f) Completed projects not reclassified to proper PPE accounts- ₱1.10 billion; g) Non-recognition of assets received from PS-DBM, assets transferred by Central Office to RO/PENROs and found on stations- ₱345.09 million; h) Unrecorded confiscated assets despite decided cases in favor of the government- ₱8.55 million; i) Unrecorded disposal of properties- ₱3.85 million; j) Unrecognized impairment losses on unserviceable assets- ₱1.12 million; k) Assets acquired in CY 2020 recorded in CY 2019- ₱1.47 million; l) Assets below the capitalization threshold still recorded as PPE in the books- ₱4.96 million; m) Understated balance of Other Assets due to non-submission of appraisal report as basis of recording- ₱4.56 million;

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					n) Improper depreciation charges on various PPE- ₱53.15 million; o) Undue recognition of assets- ₱51.93 million; p) Overstatement of income due to non-adoption of accrual method of accounting- ₱0.61 million; q) Unrecognized income and expenses- ₱25.47 million; and r) Misclassification of accounts- ₱585.79 million. • Accounting deficiencies in the total amount of ₱11.40 billion which include, among others, non-maintenance of PPELCs resulting in unreconciled PPE accounts; non-maintenance of SLs resulting in discrepancy between the GL, Schedule of Unliquidated Fund Transfer and those confirmed by IAs; and non-reclassification of constructions in progress account to the proper PPE account for more than five years due to non-compliance with the required documents.
8. Department of Trade and Industry (DTI)		✓			Accounting errors/omissions amounting to ₱148.08 million, which exceeded the materiality level of ₱85.31 million: a) Misclassification of subsidy to Accumulated Surplus- ₱5.14 million; b) Unrecorded existing PPE- ₱1.94 million; c) Unadjusted stale checks- ₱0.46 million; d) Disposed PPE still recognized in the books- ₱2.00 million; e) Misclassification of PPE- ₱6.50 million; f) Non-recognition of expense for Other Supplies Inventory and Semi-expendable properties- ₱5.30 million; g) Misclassification of Property and Equipment for Distribution as PPE- ₱94.23 million; h) Inventories already distributed still in the books- ₱30.42 million; i) Misclassification of unserviceable property to Other Assets- ₱1.95 million; and j) Non-accrual of prior year expenses- ₱0.15 million.
9. Design Center of the Philippines (DCP)	✓				
10. Environmental Management Bureau (EMB)			✓		Various unadjusted accounting errors/omissions amounting to ₱265.60 million, which exceeded the materiality level of ₱42.19 million: a) Erroneous recording of fund transfer to EMB ROs in the Due from NGAs account instead of the Due from ROs account - ₱1.54 million; b) Financial Assistance to LGUs taken up as Financial Assistance to NGAs - ₱0.20 million; c) Withheld amortization of loans due to the Forestry Savings Loan Association, Inc. included in the Due to GSIS account - ₱0.14 million; d) Prior year's expenses recorded as current year's expense- ₱4.20 million; e) Non-recognition of expenses against Inventories- ₱1.75 million; f) Non-accrual of prepaid insurance and registration expenses- ₱0.27 million; g) Lost PPE still recorded in the books of accounts- ₱0.085 million; h) Unserviceable property recorded as Other Assets instead of in the appropriate PPE accounts- ₱1.17 million; i) Non-recognition of Depreciation Expense for CYs 2017 to 2019- ₱143.03 million; j) Ending balance of Cash and Cash Equivalents in the Statement of Cash Flows (SCF) for the year ended December 31, 2018 does not tally with the beginning

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					<p>balance shown in the SCF for the year ended December 31, 2019- ₱40.24 million;</p> <p>k) Expenses under the Environmental Revolving Fund not included in the SFP- ₱0.59 million;</p> <p>l) Semi-expendable inventory recorded as ICT Equipment- ₱2.42 million;</p> <p>m) Double recording of PPE- ₱5.72 million; and</p> <p>n) Unreliability of Due from NGAs balance due to non-recognition of liquidation of fund transfers- ₱64.25 million.</p>
11. Fertilizer and Pesticide Authority (FPA)		✓			<p>Various errors/omissions and deficiencies amounting to ₱636.43 million, which exceeded the materiality level of ₱2.28 million:</p> <p>a) Unrecorded issuances Merchandise Inventory and Accountable Forms, Plates and Stickers Inventory- ₱0.31 million;</p> <p>b) Misclassified PPE items- ₱1.27 million;</p> <p>c) Semi-expendable items recognized under PPE accounts- ₱0.09 million;</p> <p>d) Unrecorded PPE items in the GL- ₱1.04 million;</p> <p>e) Donated motor vehicles already transferred to the donee not recognized- ₱1.24 million;</p> <p>f) Over recording of the amount withheld and remitted of Due to Pag-IBIG- ₱0.04 million;</p> <p>g) Unrecorded government share on Pag-IBIG Premium- ₱0.01 million;</p> <p>h) Over recording of the amount withheld and remitted of Due to GSIS-RLIP- ₱0.65 million;</p> <p>i) Unrecorded government share on GSIS Life and Retirement Premium- ₱0.66 million;</p> <p>j) Overstatement for current year expenses- ₱2.21 million;</p> <p>k) Non-maintenance of SLs (98 out of 129 accounts)- ₱619.88 million;</p> <p>l) Non-accrual of government share of premium- Due to pag-IBIG- ₱0.18 million;</p> <p>m) Non-accrual of government share of premium- Due to GSIS- ₱8.09 million; and</p> <p>n) Non-accrual of government share of premium- Due to PhilHealth- ₱0.78 million.</p>
12. Intellectual Property Office of the Philippines (IPOPHL)	✓				
13. Mines and Geoscience Bureau (MGB)		✓			<p>Misstatements amounting to ₱26.95 million, which exceeded the materiality level of ₱7.17 million:</p> <p>a) Non capitalization of major repair for PPEs- ₱5.38 million;</p> <p>b) Non-recognition of impairment loss on undisposed unserviceable property in PPE- ₱0.34 million;</p> <p>c) Error in recording of sale of unserviceable properties- ₱0.27 million;</p> <p>d) Misclassification of PPE accounts recorded in the PPE-Building instead of PPE- Other Machinery and PPE- Office Equipment;</p> <p>e) Royalty and Umpiring Fees for CYs 2014-2017 charged in audit and become final and executory were erroneously accounted for as Accounts Receivable rather than Receivable- Disallowances/Charges- ₱14.71 million;</p> <p>f) Non- recognition of issued semi-expendable inventories- ₱5.33 million; and</p> <p>g) Unissued supplies inventories accounted as outright expense- ₱0.19 million.</p>

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
14. National Mapping and Resource Information Authority (NAMRIA)		✓			Accounting deficiencies amounting to ₱541.20 million which could possibly materially misstate the reported Assets, Liabilities and Net Assets/Equity of ₱3.06 billion, ₱116.75 million and ₱2.94 billion, respectively, due to the non-maintenance or absence of SLCs, PPELCS and SLs, which did not permit the Audit Team to perform alternative audit procedures to obtain sufficient appropriate audit evidence on the existence of the Inventories, PPE, Advances and Payables amounting to ₱541.20 million.
15. National Meat Inspection Service (NMIS)		✓			Material accounting errors and omissions, as follows: a) Unrecorded issuance of laboratory supplies- ₱1.98 million; b) Unrecorded depreciation of various PPE accounts- ₱2.03 million; c) Erroneous entries of derecognition from the PPE- ₱658.05 million; d) Erroneous entries of additions to the PPE- ₱479.58 million; and e) Erroneous entry of lapsed Notice of Cash Allocation (NCA)- ₱44.09 million.
16. National Water Resources Board (NWRB)	✓				
17. Philippine Council for Agriculture and Fisheries (PCAF)		✓			Accounting errors and deficiencies amounting to ₱144.83 million, which exceeded the materiality level of ₱1.72 million, as follows: a) Closed bank account still recorded in the books- ₱0.053 million; b) Regular purchase of office supplies directly recorded as expense- ₱0.80 million; c) Regular purchase of other supplies and materials directly recorded as expense- ₱0.86 million; d) Advance payment of wages/salary thru payroll erroneously recorded as Advances to SDO instead as Advances for Payroll- ₱0.84 million; e) Erroneous recording of adjustments by debiting Accumulated Surplus/(Deficit) instead of Impairment Loss-Communication Equipment- ₱0.020 million; f) Erroneous recording of adjustments by crediting Accumulated Surplus/(Deficit) instead of Other Payables- ₱0.027 million; g) Absence of Supplies Ledger Cards (SLCs) for Office Supplies Inventory- ₱0.52 million; h) Absence of SLCs for Other Supplies and Materials Inventory- ₱0.47 million; and i) Dormant Advances to Contractors and Other Payables with no SL- ₱140.17 million.
18. Philippine Fiber Industry Development Authority (PhilFIDA)		✓			Various accounting errors/omissions amounting to ₱190.35 million, which exceeded the materiality level of ₱12.80 million, as follows: a) Non-restatement of CY 2018 corresponding figures presented in the CY 2019 FSs; b) Cash advances/Funds transferred recognized as Accounts Payable; c) APs which are two years and more and without valid claims subject for reversion; d) PPE costing below ₱15,000.00 threshold, considered as Semi-Expendable Items and expensed upon issuance, still included in the PPE; e) Non provision of depreciation on various PPE; f) Net under provision of depreciation; g) Depreciation Expense provided on PPE without acquisition cost and with no estimated life;

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					h) Negative balance of Due to BIR account; and i) Unreconciled PPE per SL.
19. Philippine Trade Training Center (PTTC)	✓				
TOTAL	5	12	2	0	
STATE UNIVERSITIES AND COLLEGES (SUCs) AND STAND-ALONE AGENCIES					
CORDILLERA AUTONOMOUS REGION (CAR)					
1. Abra State Institute of Sciences and Technology (ASIST)		✓			<ul style="list-style-type: none"> An asset account with negative balance and various liability accounts with debit balances cannot be readily verified due to non-maintenance of SLs; thus, rendering the Statement of Financial Position unreliable; Reported balance of Cash-Collecting Officer account was unreliable due to unreconciled amount of ₱1.73 million between Cashbooks and the GLs and non-maintenance of SLs to facilitate reconciliation and monitoring of account balances; Immediate reversion of the Due to NGAs account prior to submission of liquidation documents resulted in unreconciled trust liability balances as at year-end; and Various errors/omissions in recording resulted in the overstatement of the Advances to Payroll and Advances to Officers and Employees accounts.
2. Apayao State College (ASC)		✓			<ul style="list-style-type: none"> Expenditures amounting to ₱3.53 million chargeable against the Fund Transfers were not initially recognized under the appropriate expense and asset accounts but automatically debited as Due to NGAs; Accounts Receivable balance is unreliable due to the presence of negative accounts amounting to ₱1.78 million; Cost of Sales balance of ₱2.76 million is unreliable due to the non-conduct of physical inventory and the absence of Subsidiary Ledger Cards and Stock Cards pertaining to canteen operations; and Income and Accounts Receivable were understated by ₱1.60 million due to failure to record outstanding bills of debtors of the Income Generating Enterprises of the College.
3. Benguet State University (BSU)		✓			<ul style="list-style-type: none"> Accuracy of the PPE and Inventory accounts balances with a net book value of ₱6.74 billion and ₱34.79 million, respectively, cannot be established with certainty due to non-conduct of inventory; hence, doubtful or unreliable; Disposed and unserviceable PPE worth ₱8.02 million and ₱12.55 million, respectively, were still carried in the books resulting in the overstatement of the University's assets by a total amount of ₱20.07 million at year-end hence, balances of affected accounts are unreliable as presented in the FSs at year-end; Biological Assets account balance of ₱4.04 million as at year-end is erroneous due to various deficiencies thus, casting doubt on the University's capability not only to fully safeguard its assets but also to ensure veracity of the balances of affected accounts as presented in its FSs for the period; Due to NGAs account is overstated by ₱87,695.72 due to erroneous recording of deposit resulting in the unreliability of the balance of said account; Unused balance on 48 completed projects in the aggregate amount of ₱14.88 million was not returned to the Source Agencies (SAs), contrary to COA Circular No. 94-013; and

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					<ul style="list-style-type: none"> Prior year's overtime and overload pays of University officials amounting to ₱0.73 million were charged to CY 2019 appropriations due to failure of the Budget Office to obligate the amount in CY 2018 resulting in the overstatement of expenses and consequently, understatement of income for the current year.
4. Ifugao State University (IFSU)		✓			<ul style="list-style-type: none"> Gross balances of PPE accounts in the aggregate amount of ₱979.38 million, excluding CIP, could not be established with certainty as a variance of ₱565.72 million exists between the balances in the FSs and the RPCPPE, due to incomplete physical count of PPE as at year-end, and lack of accounting and property records for verification; Direct deposits to the bank totalling ₱4.91 million remained unrecorded in the accounting books due to management's inability to trace the depositors/payors and the nature of the deposits; and Balances of the reciprocal accounts, Due from Other Funds and Due to Other Funds, were not reconciled resulting in a variance of ₱3.90 million.
5. Kalinga State University (KSU)		✓			Overstatement of the Cash and Cash Equivalent account by ₱4.22 million due to non-reversal of unused or unutilized Cash - MDS, Regular account and non-recording of unreleased checks.
6. Mountain Province State Polytechnic College (MPSPC)		✓			Several PPE accounts are not adequately supported by their respective PPELCs resulting in a variance of ₱63.31 million when compared against the GL balances. This constitutes a departure from Section 42, Chapter 10, GAM for NGAs, Volume I.
TOTAL	0	6	0	0	
REGION I - ILOCOS REGION					
1. Don Mariano Marcos Memorial State University (DMMMSU)		✓			<ul style="list-style-type: none"> Doubtful existence and accuracy of PPE particularly the Land account which was not fully accounted for with proof of ownership amounting to ₱545.83 million; and Accounts Payable amounting to ₱16.67 million pertain to accounts for which the University has no valid and legal obligations yet.
2. Ilocos Sur Polytechnic State Colleges (ISPSC)		✓			Reliability and accuracy of the PPE accounts with total net book value of ₱333.66 million could not be ascertained due to the non-maintenance of SLs/schedules supporting the GLs, and unreconciled variance of ₱94.07 million between the book balance and RPCPPE, which were not in conformity with Section 111 of PD No. 1445, Section 12.b(2) of GAM for NGAS, Volume I and Section 5(4) of COA Circular No. 80-124, thereby, affecting the fairness of presentation of the College' FSs.
3. Mariano Marcos State University (MMSU)	✓				
4. North Luzon Philippine State College (NLPSC)	✓				
5. Pangasinan State University (PSU)	✓				
6. University of Northern Philippines (UNP) - Vigan, Ilocos Sur		✓			Reliability, accuracy and existence of PPE accounts with recorded cost of ₱1.31 billion or 78.20 percent of the Total Assets could not be ascertained due to incomplete conduct of inventory, non-preparation of updated RPCPPE showing an unreconciled variance between book balance and RPCPPE of ₱1.15 billion, and net discrepancies between the GLs and SLs of ₱9.51 million, affecting the fairness of the University's FSs.
TOTAL	3	3	0	0	

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
REGION II - CAGAYAN VALLEY REGION					
1. Batanes State College (BSC)		✓			<ul style="list-style-type: none">• Unreliability of PPE accounts of ₱107.32 million or 80 percent of the Agency’s total assets, due to the non-conduct of the regular physical count of all PPEs; non-preparation and/or maintenance of Property Cards, unverified increases for CY 2019, variances between the balances reflected in the accounting and property records and unestablished accountability and control over the PPEs;• Doubtful Cash in Bank - LCCA amounting to ₱18.34 million or 13.70 percent of the total assets as at December 31, 2019 due to non-preparation and submission of Monthly BRS for the period October - December 2019;• Unliquidated Advances for Payroll and Advances to Officers and Employees amounting to ₱0.36 million and ₱593.19 million, respectively, as at December 31, 2019 exposing government funds to risk of misuse or possible use; and• Due to Officers and Employees, Due to Operating Units and Accounts Payable amounting to ₱0.27 million, ₱0.10 million and ₱3.39 million, respectively, which were not supported with schedules/records of existing claimants and remained outstanding in the books for over two years.
2. Cagayan State University (CSU)		✓			<ul style="list-style-type: none">• Cash advances of officers and employees totalling ₱2.86 million remained unliquidated as of December 31, 2019, which delayed the recognition of asset/expenses that were paid out of said cash advances and exposed any unused cash advances to risk of loss and/or misappropriation;• Accounts Receivable totalling ₱25.19 million, which remained dormant for more than one year up to more than three years, were not provided with an Allowance for Impairment Loss as required under paragraph 67 of PPSAS No. 29;• Validity and reliability of the CIP account as of December 31, 2019 amounting to ₱295.37 million could not be ascertained due to the non-classification of completed infrastructure projects to proper asset accounts pursuant to Section 8.6, Chapter 10 of the GAM for NGAs, Volume 1; and• Due to NGAs account balance recorded in the books at ₱79.23 million as of December 31, 2019 could not be relied upon due to the presence of negative balances aggregating to ₱0.55 million and unreconciled balances against the records of the Source Agency totalling to ₱69.30 million.
3. Isabela State University (ISU)		✓			<ul style="list-style-type: none">• Doubtful existence, reliability, and accuracy of the PPE account, with carrying value of ₱1.32 billion as at December 31, 2019 due to unreconciled RPCPPE and accounting records and incomplete subsidiary records for the CIP account; and• Doubtful reliability and validity of the reported balance of Due to NGAs account as at December 31, 2019 amounting to ₱107.08 million due to errors in recording of financial transactions.
4. Nueva Vizcaya State University (NVSU)		✓			<ul style="list-style-type: none">• Doubtful existence, reliability, and validity of the PPE account amounting to ₱536.52 million or 62.10 percent of the total assets as at December 31, 2019 due to failure to conduct physical count and non-submission of the RPCPPE; and

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					<ul style="list-style-type: none"> Unreliable balances of the reciprocal accounts Due from Other Funds and Due to Other Funds due to the discrepancy noted in the amount of ₱0.78 million.
5. Quirino State University (QSU)		✓			Unreconciled PPE account net book value of ₱667.44 million between the books of account and RPCPPE showing a discrepancy amounting to ₱395.91 million.
TOTAL	0	5	0	0	
REGION III - CENTRAL LUZON					
1. Aurora State College of Technology (ASCoT)		✓			Doubtful accuracy of the PPE account balance of ₱278.94 million as of December 31, 2019 due to lapses in property management such as incomplete inventory report and undisposed unserviceable property, contrary to applicable laws, rules and regulations relative thereto.
2. Bataan Peninsula State University		✓			<ul style="list-style-type: none"> Unreliable year-end balance of PPE account totalling to ₱1.20 billion due to (i) unreconciled PPE balances per books and per RPCPPE showing variance of ₱843.00 million; and (ii) inclusion of unserviceable and undisposed properties with undetermined amount both in the books and in RPCPPE; Unreliable year-end balance of Due to NGAs account amounting to ₱68.00 million due to the absence of subsidiary records totalling to ₱41.00 million and lapses in monitoring of funds; Cash - MDS, Regular and Cash in Bank- LCCA balance totalling to ₱152.00 million could not be ascertained due to (i) delayed/non-preparation of BRS for 10 bank accounts; (ii) discrepancy of ₱178.00 million between the cashier and accounting records; and (iii) net understatement of the account by ₱0.30 million because of stale checks; and Unreliable year-end balance of Advances for Payroll and Advances to SDO amounting to ₱0.66 million and ₱15,445.39, respectively, due to a) presence of abnormal balance of the Advances for Payroll account amounting to ₱0.66 million; b) lack of supporting details on the net amount of ₱47,042.82 balance on the Custodial Fund (CF) of Advances to SDO account; c) error in the accounting entry made to Advances to SDO account amounting to ₱0.16 million; and d) difference between SL balances of Advances to SDO and Accountable Officers' respective Cash Disbursements Records (CDRs) aggregating to ₱25,424.58.
3. Bulacan Agricultural State College (BASC)	✓				
4. Bulacan State University (BulSU)		✓			Unreliable accuracy and existence of the PPE accounts with acquisition cost of ₱2.56 billion as at year-end due to: <ul style="list-style-type: none"> a) records and the Report on the RPCPPE; b) missing/unaccounted PPE during the actual inventory amounting to ₱36.87 million; and c) absence of subsidiary records for all PPE accounts, contrary to Section 42 of Chapter 10, GAM, Volume I.
5. Central Luzon State University (CLSU)		✓			<ul style="list-style-type: none"> PPE account was overstated by ₱8.63 million due to non-dropping from the books of accounts the costs of unserviceable PPE that were not reported to the Accounting Office through the IIRUP; Biological Assets and Intangible Assets were understated by ₱32.00 million and ₱2.50 million, respectively, due to non-recognition of the assets in the books; and Accounts Receivable was understated by ₱3.96 million or 54 percent of the total reported Receivables at year-end due to non-recording of receivables from electricity, water,

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					rentals and garbage billings that were earned in November and December 2019.
6. Don Honorio Ventura Technological State University (DHVTSU)	✓				
7. Government Arsenal (GA, DND)		✓			<ul style="list-style-type: none"> There was an unreconciled difference of ₱272.48 million in the Inventory account balance between the general ledger and the inventory report submitted by the Supply Office; and Accuracy and existence of the balances of PPE accounts with carrying value of ₱1.73 billion were not established owing to, among others: <ol style="list-style-type: none"> unreconciled discrepancy of ₱106.28 million in the PPE account balance between the GL and the RPCPPE; non-derecognition of demolished building of ₱66,252.94; inclusion to the PPE account of semi-expendable items of ₱54,972.16; and recognition in the books of untitled parcel of land costing ₱1.11 million.
8. Nueva Ecija University of Science and Technology (NEUST)		✓			<ul style="list-style-type: none"> PPE accounts with a reported carrying amount of ₱899.92 million representing 50.65 percent of the total assets were doubtful as to existence, accuracy and completeness due to, among others, continued failure to conduct physical count of PPE; existence of discrepancy of ₱145.68 million between the Accounting Division and Supply/Property Unit records, and non-maintenance of the required substantial Property Cards, PPELCs and properly accomplished and updated Property Acknowledgement Receipts; Propriety and validity of recorded disbursements and receipts amounting to ₱344.85 million and ₱6.24 million, respectively were not established due to non-submission of the corresponding disbursement vouchers and report of collections, and copy of issued official receipts to the Audit Team for audit; and Equipment costing ₱9.96 million remained not recognized in the books for failure to use the accrual method of accounting in recognizing assets/PPE in the books of accounts.
9. Pampanga State Agricultural University (PSAU)		✓			<ul style="list-style-type: none"> Absence of subsidiary records to support the year-end balances of the assets, liabilities and equity accounts reported at ₱816.03 million, ₱138.93 million and ₱677.10 million, respectively; and Existence, accuracy and valuation of Inventory accounts with carrying amount of ₱14.39 million were not ascertained due to a) disparity in the amount of ₱13.38 million between the Accounting and Supply/Property Records on account of partial physical count of inventories; b) perishable items costing ₱6.78 million already consumed but were still carried in the Merchandise Inventory account; c) non-derecognition of semi-expendable property costing ₱2.22 million; d) presence of non-moving inventory; and e) non-recording of lost electrical supplies amounting to ₱0.32 million.
10. Philippine Carabao Center (PCC)		✓			<ul style="list-style-type: none"> Doubtful accuracy and reliability of the year-end balances of PPE accounts due to: <ol style="list-style-type: none"> non-reclassification of unserviceable properties from Other Assets account to their proper PPE accounts; error in recognition of procured properties; and

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					<ul style="list-style-type: none"> c) unresolved discrepancy between the Accounting and Property Records on PPE accounts. • Unreliable reported balance of the Cash and Cash Equivalents account due to: <ul style="list-style-type: none"> a) non-reversion of unreleased checks and stale checks back to cash account at year-end; and b) non-preparation of BRSSs; and • Doubtful accuracy of the balance of Biological Assets accounts due to non-compliance with the provisions of GAM for NGAs and related provision under Dispersal Agreement between PCC and farmer-recipient resulting in overstatement amounting to ₱9.99 million of the account balance at year-end.
11. Philippine Center for Postharvest Development and Mechanization (Philmech)		✓			<p>PPE accounts with carrying value of ₱299.49 million or 69.73 percent of the Agency's total assets were unreliable due to:</p> <ul style="list-style-type: none"> a) non-recognition of fabricated machineries with total estimated cost of ₱7.66 million; b) non-allocation of periodic depreciation on properties totalling ₱0.85 million; and c) non-derecognition of donated machineries, contrary to the pertinent provisions under Chapter 10 of the GAM for NGAs, Volume I.
12. Philippine Merchant Marine Academy (PMMA)		✓			<ul style="list-style-type: none"> • Doubtful accuracy of the PPE account due to assets of ₱241.97 million not reclassified to proper PPE accounts; • Difference of ₱12.15 million between the RPCI and the General Ledger balances of the inventory accounts; • Unreconciled balances between SL and audited balances of Cash-Collecting Officer and Advances for Payroll accounts of three accountable officers totalling ₱0.28 million and ₱4.97 million, respectively; • Various erroneous entries in the SL of previous accountable officer resulting in the understatement of the Cash-Collecting Officer account by ₱0.22 million; • Invalid obligations amounting to ₱46.80 million credited to Accounts Payable, overstating the total financial liabilities by the same amount; and • Unsubstantiated balances of Due to GSIS, Pag-IBIG, Philhealth and BIR amounting to ₱0.47 million, ₱0.11 million, ₱41,275.32 and ₱2.95 million, respectively.
13. President Ramon Magsaysay Technological University (PRMTU)		✓			<p>Accuracy, completeness, existence and valuation of the PPE accounts of ₱589.76 million as of December 31, 2019 were unreliable due to:</p> <ul style="list-style-type: none"> a) disparity of ₱257.69 million between the physical inventory report and accounting records; b) non-maintenance of complete and updated property records by the Supply Office and Accounting Office; and c) failure to determine the corresponding PPE accounts affected by the adjustment of ₱23.64 million on Construction Materials account despite prior years audit recommendation, thus affecting the fair presentation of the PPE account in the FSs.
14. Tarlac Agricultural University (TAU)	✓				
15. Tarlac State University (TSU)	✓				
TOTAL	4	11	0	0	
REGION IV-A - CALABARZON					
1. Batangas State University (BatStateU)		✓			<ul style="list-style-type: none"> • Unsubmitted 1,281 Disbursement Vouchers (DVs) and supporting documents with a total amount of ₱166.68 million as of report date. This precluded the Audit Team to post audit the November and December 2019

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					<p>disbursement accounts of Main Campus amounting to ₱158.51 million, hence, the validity and regularity of the said transactions could not be ascertained, and in turn casts doubt on the accuracy of account balances as at year-end;</p> <ul style="list-style-type: none"> • Accuracy, validity and existence of PPE account balance costing ₱2.05 billion, net of CIP of ₱778.66 million, are doubtful due to: a) existence of discrepancies between the balance presented in the Statement of Financial Position, and PPELCs and RPCPPE totalling ₱1.04 billion and ₱0.31 million, respectively; b) non-provision of depreciation on four PPE items totalling ₱3.52 million; and c) understatement in the computation of periodic depreciation of PPE by ₱2.50 million due to the change in residual value and estimated useful life which overstated the carrying amount of PPE by the same amount; • Due to NGAs balance of ₱124.52 million of the BatStateU Main included unliquidated and non-moving accounts amounting to ₱41.91 million and ₱0.81 million balance for 10 completed projects which were not returned to the SAs; and differences of ₱9.04 million between the confirmed balances of the SAs and the BatStateU's books; • Accounts Receivable of ₱110.09 million (gross) and Operating Lease Receivable of ₱0.62 million were doubtful as to reliability, propriety and whether presented at its net realizable value as of December 31, 2019 due to: a) presence of negative SL balances totalling ₱149.72 million and unreconciled difference between the GL and its SL balances of ₱8.34 million; b) existence of long outstanding receivable aggregating to ₱61.02 million which are doubtful of collection due to the nature of fund source, lack of appropriation and non-issuance of demand/follow-up letters by the Management; c) inconsistency in the adopted policy on the provision for Impairment of Receivables; and d) non-compliance with the terms and conditions of the Contract of Lease, particularly on the imposition of 5 percent penalty; • Doubtful reported Inventories of ₱13.15 million as of December 31, 2019 due to: a) the computed net variance of ₱10.58 million and ₱0.40 million from the balances of the SLCs and the RPCI, respectively, against the reported Inventories; b) non-disposal of old design uniforms and obsolete items under Merchandise Inventory valued at ₱0.27 million; and c) misclassification of inventory items in their appropriate accounts; • Validity/reliability of the recorded balance of Other Assets in the amount of ₱4.72 million was doubtful due to: a) inclusion of fully depreciated and/or unserviceable assets transferred from PPE accounts and recorded at its salvage value of ₱3.73 million; b) non-disposal of accounted unserviceable items of PPE with carrying value of ₱0.21 million, exposing these properties to further physical deterioration, resulting in the decline in economic value and loss of opportunity to earn additional income had immediate disposal been effected through sale; and c) inclusion of demolished unserviceable properties totalling ₱0.20 million, thus overstating the said account by the same amount; • Accounts Payable of ₱3.91 million remained outstanding for more than two years as of December 31, 2019 and was not reverted to the Accumulated Surplus/(Deficit), contrary to Sections 1 and 2 of Executive Order (EO) No. 87 dated August 13, 2019, Section 3.2 (b) of COA Circular

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					<p>No. 99-004 dated August 17, 1999 and Section 98 of PD No. 1445;</p> <ul style="list-style-type: none"> Total revised assessments of ₱3.26 million of the 472 students ineligible to the Free Higher Education Program (FHEP) for AY 2018-2019 was not taken up as receivables from students and Due to NGAs (CHED) and the corresponding payments of ₱0.65 million made by students in CY 2019 was improperly taken up as income. In addition, Tertiary Education Subsidy (TES) totalling ₱0.88 million was granted to some students included in the identified ineligible for AY 2018-2019, contrary to Section 28 (a.2) of the Implementing Rules and Regulations (IRR) of Republic Act (RA) No. 10931; and Other Prepayments of ₱1.63 million of BatStateU Main included procurement of ₱1.55 million from DBM-PS instead of being taken up as Due from NGAs; the whole amount of ₱6.00 million, cost of Online Journal Subscription (electronic Library) for January 2019 to December 2020, was taken up as Subscription Expenses instead of the ₱3.00 pertaining to unexpired portion for the period January to December 2020 as Other Prepayments, thus affecting the accuracy and reliability of the FSs; and the DV pertaining to the procurement from PS-DBM remained unsubmitted to the Office of the Auditor as at year-end.
2. Cavite State University (CvSU)		✓			<ul style="list-style-type: none"> Main Campus Accountant did not disclose in the Notes to FSs the nature and specific period of Prior Period Adjustments totalling (₱138.07 million) and the Reconciliation of Net Cash Flows from Operating Activities of ₱693.54 million to Surplus/(Deficit); and the corresponding figures for CY 2018 presented in the CY 2019 FSs were not restated to reflect the Prior Period Adjustments made in the current year. The non-disclosure and restatement of required information affects the reliability and fair presentation of the University's FSs; Eleven-asset and three-liability accounts of Main Campus posted abnormal balances totalling ₱130.31 million and ₱1.06 million, respectively, as of December 31, 2019. This significantly affects the accuracy and reliability of financial information presented in the FSs; Reported Cash in Bank- Local Currency balance of ₱1.40 billion as of December 31, 2019 of the Main Campus is unreliable due to: (a) non-preparation/submission of CY 2019 BRSs for 21 bank accounts; (b) incomplete and unreconciled schedules for cash in bank accounts; and (c) significant variance in the reported balances per bank confirmation and Cashier's Check Disbursements Record (CkDR) as compared with accounting records. Moreover, two savings accounts maintained by Main Campus were not properly recorded in the books as Cash in Bank - LCSA; Collectability of receivables account of ₱10.96 million which have been non-moving for eight to 12 years could not be ascertained due to absence of records from which the debtors could be identified, thereby affecting the validity of Receivables account as reported in the FSs; Balance of Advances to Contractors amounting to ₱17.88 million of Main Campus cannot be fully verified due to the absence of SL and detailed schedule of contractors' balance, thus affecting the reliability of the account as reported in the FSs; Inventory account balances of Rosario Campus totalling ₱16.81 million were overstated by ₱7.30 million or 43.40

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					<p>percent due to non-recording of issuances and non-recognition of Cost of Sales for merchandise sold, resulting in unreliable asset account balances as of December 31, 2019; and</p> <ul style="list-style-type: none"> Reported PPE net of CIP with a total acquisition cost of ₱1.39 billion is unreliable due to, among others, the reported PPE per FSs and RPCPPE are not supported with updated PPELC and Property Card, respectively; and issued semi-expendable properties acquired in prior years still formed part of the PPE balance as at year-end.
3. Forest Products Research and Development Institute (FPRDI)		✓			<ul style="list-style-type: none"> Existence, correctness and completeness of the PPE with gross amount of ₱521.38 million as of December 31, 2019 could not be fully ascertained due to the following: <ul style="list-style-type: none"> Unreconciled difference of ₱125.32 million between accounting records and the submitted RPCPPE due to incomplete physical inventory taking in CY 2019 and the presence of Other SL account balances, still for reconciliation with the PPE schedule maintained by the Accounting Section; Depreciation was not provided for Building - Pilot Plant (Main) amounting to ₱1.09 million, resulting in overstatement of Accumulated Surplus/(Deficit) account and understatement of Accumulated Depreciation - Building and Depreciation Expense accounts; and Unserviceable PPEs with a total cost of ₱3.07 million, which were already disposed of and sold at ₱58,550.00, were not derecognized in the books of accounts due to non-preparation of the corresponding IIRUP by the Property and Supply Section; Reliability and accuracy of the CIP account of ₱35.82 million are doubtful due to a) net variance of ₱11.10 million between the SL balances and the reported projects per Quarterly Report on Government Projects/Programs/Activities (PPAs); and b) the Detailed Engineering Activities for infrastructure projects for CY 2018 amounting to ₱0.90 million, net of ₱17,280.00 penalty (representing 85 percent of the contract cost of ₱1.08 million), remained in the CIP account due to the failure of Management to impose appropriate actions and remedies pursuant to the guidelines in the termination of contract as provided under Item A.3.a, Section III of Annex I and Section 6 of Appendix 17 of the 2016 Revised IRR of RA No. 9184; No amortization for CY 2019 was recognized on Intangible Assets-Computer Software account amounting to ₱0.82 million despite completion of FPRDI's Strategic Administrative Information System in December 2018, thereby understating the Amortization-Intangible Assets, Computer Software and the Accumulated Amortization-Computer Software accounts and overstatement of Intangible Assets as at year-end; Reported Cash in Bank - LCCA balance amounting to ₱17.49 million as at year-end, showed unadjusted reconciling items amounting to ₱0.67 million and unreliable balance of Swiss Coco Account of ₱20,671.41 which was dormant for more than two years; Reported balance of Due to NGAs account amounting to ₱81.36 million as of December 31, 2019 was overstated due to: a) delayed liquidation of the completed projects of ₱0.61 million; and b) unexpended project funds of ₱0.27 million which were not returned to source agencies, contrary to Section 6.7 of COA Circular No. 94-013; and

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					<p>inclusion of 15 completed projects and Other SL account balances with notation “for reconciliation” amounting to ₱0.58 million and ₱1.23 million, respectively; and</p> <ul style="list-style-type: none"> • Prior years’ collection of testing fees of ₱2.08 million for services rendered by the FPRDI to its clients were erroneously recorded under Other Payables and Due to NGAs accounts instead of recognizing the same as income, resulting in the overstatement of the said accounts by ₱1.50 million and ₱0.59 million, respectively, and understatement of Government Equity for prior period adjustments of ₱2.08 million. Likewise, the said balances were unremitted to the National Treasury, which is not in accordance with Section 2 of EO No. 338 series of 1996 and Section 3, Chapter 5 of GAM for NGAs, Volume I.
4. Laguna State Polytechnic University (LSPU)		✓			<ul style="list-style-type: none"> • The validity, accuracy and existence of PPE accounts with acquisition cost of ₱1.55 billion as at year-end remained doubtful due to the following: <ul style="list-style-type: none"> a) Non-submission of complete inventory report and the corresponding reconciliation report of the PPE records by the LSPU San Pablo and Santa Cruz Campuses, and the discrepancies totalling ₱558.54 million noted in the amount of PPE per RCPPE as against Accounting records on all Campuses, which construed that the Property Officer and the Accounting Office did not conduct periodic reconciliation of PPE records, contrary to Section 42, Chapter 10 of the GAM for NGAs, Volume I; and b) Semi-expendable items with total acquisition cost of ₱9.74 million were included in the RPCPPE and formed part of the balance of the PPE as of December 31, 2019 of San Pablo, Siniloan and Santa Cruz Campuses, contrary to Sections 10 and 18.e, Chapter 8 of the GAM for NGAs, Volume I and COA Circular No. 2005-002, thus overstating the Asset and Equity accounts by the same amount; • Unserviceable properties of the two LSPU Campuses totalling ₱16.40 million, included in the RPCPPE as of December 31, 2018 were not disposed in CY 2019, contrary to Section 79 of PD No. 1445, and pertinent provisions of the DBM Manual on Disposal of Government Property and COA Circular No. 89-296 dated January 27, 1989, hence exposed these assets to further deterioration and deprived the agency of a higher income that could have been realized from the immediate sale of these assets; and • Funds received from the DSWD Field Office IV-A and from other NGAs totalling ₱26.93 million intended for various programs and projects were taken up as Trust Liabilities (Account No. 20401010) instead of Due to NGAs (Account No. 20201050), thus misstating the balances of both the Trust Liabilities and Due to NGAs accounts by the same amount and rendered the reliability of the data in the FSs doubtful.
5. Philippine Council for Agriculture, Aquatic and Natural Resources Research and Development (PCAARRD)		✓			<ul style="list-style-type: none"> • Reliability and accuracy of the Due from NGAs, LGUs, and NGOs/POs account balance of ₱2.75 billion as of December 31, 2019 for Grants-in-Aid (GIA) funds released could not be ascertained due to total variance of ₱485.82 million between book balance and confirmed balances from 46 Implementing Agencies (IAs); 13 accounts from 12 IAs reported in the PCAARRD’s SLs have negative balances totalling ₱4.36 million; and ₱1.47 billion or 53.27 percent overdue accounts which remained unliquidated due to failure of the concerned officials and

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					<p>personnel to enforce prompt submission of Financial/Liquidation Reports, thereby, affecting the fair presentation of the account;</p> <ul style="list-style-type: none"> • Assertions on the validity, existence and correctness of the recorded balances of the PPE and Other Assets accounts amounting to ₱184.52 million (gross) and ₱1.06 million, respectively, as of December 31, 2019 cannot be relied upon due to: a) non-reconciliation between accounting records and the results of the inventory taking shown in the RPCPPE to identify the discrepancies amounting to ₱1.60 million and non-reversion of prior year's de-recognition or dropping from the books of various PPEs of ₱16.22 million, without complete documentations, thus affecting the fair presentation of the PPE accounts in the Statement of Financial Position; and b) accuracy of the Other Assets account with reported balance of ₱1.06 million is doubtful due to absence of documents to substantiate the accounts with the necessary schedules/reports and detailed information and unlocated items; • Accuracy and reliability of the Cash in Bank - LCCA of ₱10.14 million as of December 31, 2019 was doubtful due to a) unrecorded current account under LBP Account No. 1892-1002-80 with a bank balance of ₱44,600.00; b) net reconciling difference of ₱0.11 million between the book and bank balances; and c) difference of ₱3,356.31 between account balance reflected in the Statement of Financial Position and the SL; • Accuracy, reliability and validity of the recorded balances of the Inventory accounts amounting to ₱7.79 million as of December 31, 2019 could not be fully ascertained due to a) non-conduct of physical count on Other Supplies and Materials Inventory and Semi-Expendable Inventories totalling ₱3.30 million; b) unreconciled discrepancy of ₱3.13 million between the GL balance and the RPCI for Office Supplies Inventory; and c) presence of negative balances in the SL and schedule of inventories maintained by the Accounting Section; • Accuracy and validity of Other Receivables account of ₱0.29 million could not be relied upon due to the failure of Management to substantiate the accounts with the necessary documents and detailed information, thus affecting the faithful representation of such account in the FSs; • Accounts Payable amounting to ₱197.67 million as of December 31, 2019 did not reconcile with the balance appearing in the SL totalling ₱201.74 million, showing a discrepancy of ₱4.07 million; and 44 accounts reflected negative balances of ₱14.18 million and a net negative amount of ₱6.95 million had been outstanding for more than two years; and • Validity of the Other Payables account totalling ₱3.24 million is doubtful due to a) existence of negative balance of ₱1.42 million; b) misclassification of accounts resulting in net understatement of the account by a negative amount of ₱33,326.62; c) erroneous recording of prior years' income of ₱1.49 million; and d) past due accounts for two or more years with net amount of ₱1.13 million, representing 35 per cent of the total Other Payables account.
6. Philippine High School for the Arts (PHSA)		✓			<ul style="list-style-type: none"> • Liquidated Damages (LD) totalling ₱1.94 million were erroneously taken up as Miscellaneous Income instead of deducting the amount from the cost of the project as provided under Section 8, Annex E of the Revised IRR of

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					<p>RA No. 9184, overstating the reported Other Non-Operating Income - Miscellaneous and the corresponding CIP accounts by the same amount; and recording the LD as Miscellaneous Income is not in conformity with the account classification provided under the GAM for NGAs, Volume III; and</p> <ul style="list-style-type: none"> • Payment for insurance premiums and fidelity bond premiums totalling ₱0.76 million was directly recorded as expense instead of recognizing as prepayments, thus understating the Prepaid Insurance account and overstating the corresponding Insurance Expense account for the unexpired portion thereof amounting to ₱0.21 million.
7. Southern Luzon State University (SLSU), Quezon Province		✓			<ul style="list-style-type: none"> • Balances of Cash in Bank - LCCA of SLSU Main as of December 31, 2019, totalling ₱365.19 million are unreliable due to the inability of the University Accountant to prepare and submit complete BRS; • Allowance for Impairment - Accounts Receivable (AR) amounting to ₱0.21 million and ₱0.18 million in CY 2019 were inadequately provided in the books of accounts of SLSU Main and SLSU-JGE, respectively, thus resulting in inaccurate presentation of the net realizable value of the AR; • Existence and accuracy of PPE amounting to ₱971.12 million in CY 2019 could not be ascertained due to unreconciled PPE reports of Accounting and Property Offices; • Year-end balance of Due to NGAs account of ₱38.84 million, as presented in the Statement of Financial Position in CY 2019, is unreliable due to: (a) unreconciled differences totalling ₱33.54 million between the SLSU and CHED RO IV-A records; (b) terminated projects with excess balance of ₱2.28 million were not yet liquidated and returned to the SA as of December 31, 2019; and (c) No liquidation report was made on the disbursement of various Scholarship Funds totalling ₱31.38 million; • Income and expenses pertaining to the various Income Generating Projects (IGPs) were not maintained in separate book of accounts, thus separate financial statements relative thereto were not prepared, hence, the propriety and validity of the reported Other Business Income account amounting to ₱12.23 million as at year-end could not be ascertained; and • Procurement of SLSU Main and JGE totalling ₱26.91 million and ₱3.15 million, respectively, in CY 2019 was not in full compliance with the provisions of the 2016 Revised IRR of RA No. 9184 and was paid despite incomplete documentary requirements, contrary to Section 4 (6) of PD No. 1445. Thus, the completeness, regularity and validity of the said transactions were doubtful and there was no assurance that the most advantageous price and responsive offers for the government were obtained.
8. University of Rizal System (URS), Morong		✓			<ul style="list-style-type: none"> • Reported balances of the PPE accounts, with a net book value of ₱417.21 million as of December 31, 2019, are unreliable due to unrecorded items of PPE such as land, buildings and structures, and donated equipment, thus affecting the correctness and reliability of the said account balances; • Balance of the Due to NGAs account as of December 31, 2019 amounting to ₱15.23 million is unreliable due to: (a) unreconciled differences totalling ₱61.77 million between the University SLs and Other NGAs' records; (b) project that is terminated with final liquidation report having

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					<p>excess balance of ₱41,640.63 was not yet returned to the Source Agency; (c) projects where the recipients are no longer existing; and (d) projects with undetermined status of implementation because of the failure of the project implementers to submit to the Audit Team the said status report as of December 31, 2019; and</p> <ul style="list-style-type: none"> • Accuracy of the reported balance of the Cash in Bank - LCCA of ₱245.34 million as of December 31, 2019, could not be ascertained due to the failure of the University Accountant/Designated Staff to prepare and submit complete BRS; and two bank accounts showed understatement of ₱1.60 million due to unrecorded payroll maintaining balance and prior years erroneous recording of Cash in Bank - LCCA account, thus rendering the balance of the account doubtful.
TOTAL	0	8	0	0	
REGION IV-B - MIMAROPA					
1. Marinduque State College (MSC)	✓				
2. Mindoro State College of Agriculture and Technology (MinSCAT)		✓			Existence, completeness, accuracy and reliability of the recorded PPE accounts with carrying amount of ₱603.23 million as of December 31, 2019 cannot be ascertained; and the accuracy and completeness of the reported balance of Receivables totalling ₱33.66 million is unreliable.
3. Occidental Mindoro State College (OMSC)		✓			<ul style="list-style-type: none"> • Impairment loss on Accounts Receivable was not sufficiently recognized in the FSs, thereby, overstating the realizable value of the Loans and Receivable accounts and understating the non-cash expenses by ₱2.93 million; • Management did not (a) allocate the lump sum price of ₱1.59 million to the 173 units of Speech Laboratory Equipment and Software; (b) record the Water Supply Systems and Agricultural and Forestry Equipment granted by the Bureau of Soils and Water Management and DA - Regional Field Office MIMAROPA amounting to ₱0.57 million and ₱0.88 million, respectively; (c) record the 138 units of goods valued at ₱10.95 million on a per item basis; and (d) properly classify various PPE accounts valued at ₱23.52 million, which are clear departures from PPSASs; • Liabilities totalling ₱11.83 million were erroneously classified and adjusting events totalling ₱0.20 million were not recorded as at year-end, contrary to PPSAS, thus overstating related liabilities and expense accounts; and • Loyalty Cash Gift, Overtime Pay and Performance Based Bonus totalling ₱9.64 million paid to faculty and staff of the College were erroneously recorded under Other Personnel Benefits account, thus, overstating the said account by ₱9.64 million and understating Longevity Pay, Overtime and Night Pay, and Other Bonuses and Allowances account by ₱0.22 million, ₱3.83 million, and ₱5.59 million, respectively, thereby affecting the fair presentation of the accounts in the FSs.
4. Palawan Council for Sustainable Development Staff (PCSDS)		✓			Accuracy and reliability of the reported balances of PPE accounts totalling ₱120.19 million is doubtful due to discrepancy of ₱6.68 million between the accounting records and the RPCPPE, in violation of the prescribed policies and procedures in the recording, reporting and maintenance of the PPE accounts.
5. Palawan State University (PSU)		✓			<ul style="list-style-type: none"> • Validity, existence and correctness of the recorded balances of the PPE accounts with carrying value of ₱1.21 billion could not be ascertained due to various deficiencies noted, resulting in a total discrepancy of ₱213.37 million

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					<p>thus, affecting the fair presentation of the PPE accounts in the FSs;</p> <ul style="list-style-type: none"> • Receivables from CHED on the Free Higher Education (FHE) Program under RA No. 10931 amounting to ₱83.21 million as of December 31, 2019 was erroneously recorded as Accounts Receivable instead of Due from NGAs, resulting in the overstatement and understatement of both accounts, respectively, by the said amount thus, affecting the fair presentation of the accounts in the Statement of Financial Position; • Obligations amounting to ₱9.23 million were recorded as Accounts Payable even without sufficient evidence, thus preventing the automatic reversion of unexpended balances to the National Treasury and rendering these payables invalid.
6. Romblon State University (RSU)		✓			Accuracy and existence of the reported balances of PPE accounts (exclusive of Land and CIP) with net book value of ₱341.42 million as at year-end could not be ascertained.
7. Western Philippine University (WPU)		✓			<ul style="list-style-type: none"> • Valuation, accuracy and existence of PPE accounts amounting to ₱849.40 million as of December 31, 2019 could not be ascertained due to a) unreconciled balance between the GL and the Schedule of PPE by ₱58.21 million; b) unidentified items with net amount of ₱9.04 million; c) inclusion of items, each costing below the capitalization threshold of ₱15,000.00, totaling ₱1.17 million; d) Properties destroyed by fire with acquisition cost of ₱6.17 million still carried in the books; and e) non preparation and submission of the RPCPPE to the Audit Team within the prescribed period due to failure of the Inventory Committee to complete the physical inventory taking of PPE during the year; and • Accuracy and existence of the year-end balance of the Cash in Bank - LCCA amounting to ₱279.57 million as at December 31, 2019 is unreliable due to the failure of the University Accountant to prepare the BRS as at year-end on all bank accounts maintained by the University for all funds thereby, errors/reconciling items that need to be checked remained undetected and unadjusted in the books thus, affecting the fair presentation of the Cash account in the financial statements.
TOTAL	1	6	0	0	
REGION V - BICOL REGION					
1. Bicol State College of Applied Science and Technology (BISCAST)		✓			<ul style="list-style-type: none"> • Various inventory accounts totalling ₱14.72 million were overstated by ₱13.75 million due to non-recording of issuances to end users as expense, resulting in understatement of expenses and overstatements of inventory and Government Equity accounts in the FSs; • Year-end balance of Accounts Payable totalling ₱50.55 million was misstated in view of the presence of obligations not yet due and demandable and the inclusion of goods not yet delivered and accepted amounting to ₱28.98 million and ₱0.77 million, respectively; and • Balance of Other Payables account of ₱17.56 million cannot be ascertained as to its accuracy and reliability due to the absence of supporting documents and subsidiary record; and the fund received from CHED of ₱29.99 million was erroneously recorded under Other Payables account instead of the appropriate account Due to NGAs, thereby, misstating the affected accounts in the FSs.
2. Bicol University (BU)		✓			<ul style="list-style-type: none"> • Unreconciled balances of various PPE Items, aggregating to ₱126.15 million could not be validated due to the

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					<p>absence of complete documents and the non-conduct of physical inventory;</p> <ul style="list-style-type: none"> • Unreconciled balances of the Cash in Bank - LCCA, which differed from the balances per bank by ₱13.60 million, based on confirmations made, and a variance of ₱93,179.12 compared to the SLs due to the absence of updated BRSs and non-reconciliation of the general ledger and subsidiary ledgers; • Correctness of the Accounts Payable account balance of ₱18.90 million is doubtful due to a significant discrepancy of ₱84.86 million with the reported Due and Demandable Obligations - Accounts Payable under the Summary of Appropriations, allotments, Obligations, Disbursements and Balances by Object of Expenditures FAR No. 1-A and FAR No. 2-A, higher by said amount; and • Unreconciled balance per physical count and balance per books of the Inventory accounts, possible overstatement by ₱5.67 million balance per books.
3. Camarines Norte State College (CNSC)		✓			<p>Balance of PPE accounts valued at ₱729.67 million as at year-end was unreliable due to unreconciled amount of ₱6.25 million per FS and RPCPPE and due to absence of PPELC and incomplete Property Card to substantiate the existence, completeness and accuracy of the reported balance of PPE; and overstatement by ₱36.02 million due to erroneous capitalization of tangible items below ₱15,000.00, resulting in overstatement of assets and equity accounts.</p>
4. Camarines Sur Polytechnic College (CSPC)		✓			<ul style="list-style-type: none"> • Reliability, accuracy and existence of the Inventory accounts with a total book value of ₱23.69 million as of December 31, 2019 cannot be ascertained due to the difference of ₱11.67 million or 49.26 per cent of the total Inventories compared to the balance per RPCI; and • Accuracy, reliability and validity of Other Payables account totalling ₱93.35 million as of December 31, 2019 cannot be ascertained due to the absence of supporting documents, updated SL or schedule to support the recorded balance.
5. Catanduanes State University (CSU)		✓			<p>Reliability and accuracy of the reported balance of the PPE account costing ₱473.26 million, net of CIP in the amount of ₱104.10 million, is doubtful due to PPEs with Property Numbers but could not be traced to accounting records amounting to ₱2.98 million, unrecorded PPEs amounting to ₱0.67 million, PPEs which were not included in the RPCPPE amounting to ₱1.06 million and erroneous recording of PPE in the RPCPPE valued at ₱0.28 million.</p>
6. Central Bicol State University of Agriculture (CBSUA)		✓			<ul style="list-style-type: none"> • Correctness of the Cash in Bank - LCCA balance in the Statement of Financial Position as at December 31, 2019 of CBSUA - Main Campus in the amount of ₱223.95 million could not be ascertained in view of the material variance of ₱13.65 million between the book and bank records due to management's continued inability to update and/or prepare BRS for more than three years now; and • Balance of the PPE in the Statement of Financial Position as at December 31, 2019 of CBSUA - Main Campus in the amount of ₱565.14 million is not reconciled with the balance in the RPCPPE submitted by the University's Supply Officer as of December 31, 2019, with unreconciled amount of ₱114.78 million or 9.36 percent of total assets, thus, casting doubt on the accuracy and correctness of the PPE account balances in the FSs.
7. Don Emilio B. Espinosa Memorial State College of Agriculture and		✓			<p>RPCPPE did not reconcile with the Accounting records and resulted in the unreconciled difference of ₱116.17 million, thus, the completeness, existence, validity and accuracy of</p>

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
Technology (DEBESMSCAT)					the reported balance of the PPE accounts in the FSs as of December 31, 2019 is unreliable.
8. Partido State University (PSU)		✓			Total amount of ₱583.29 million reported in the RPCPPE did not reconcile with the total acquisition cost of the PPE per Accounting Records in the amount of ₱585.98 million, hence, the unreconciled difference of ₱2.69 million resulted in the unreliability of the balances of both records.
9. Sorsogon State College (SSC)		✓			Total amount of ₱638.76 million reported in the RPCPPE did not reconcile with the total acquisition cost of the PPE per Accounting Records in the amount of ₱673.55 million, hence, the unreconciled difference of ₱34.79 million resulted in the unreliability of the balances of both records.
TOTAL	0	9	0	0	
REGION VI - WESTERN VISAYAS					
1. Aklan State University (ASU)		✓			<ul style="list-style-type: none"> Recorded Accounts Receivable pertaining to the Business Related Funds of ₱3.378 million or 41.59 percent of total Accounts Receivable of ₱8.123 million, remained uncollected for more than one year, thus, rendered the recorded receivables in the FSs of the University doubtful; Reliability, existence and completeness of the Office Supplies Inventory account of ₱50,099.20 of ASU-CHARRM is doubtful due to the unreconciled balances between the FSs and the RPCI and non-maintenance of Stock Cards; Semi-Expendable Furniture and Fixtures issued to end users amounting to ₱0.15 million were not recognized as expense for CY 2019 and remained recorded as Semi-Expendable Furniture and Fixtures, thus, accuracy and validity of the account could not be ascertained affecting the fair presentation of the FSs; Unserviceable properties valued at ₱0.567 million remained recorded in the books of accounts of the Campus and not subjected to disposal, casting doubt on the recorded PPE account in the FSs; and Amortization Expense and Accumulated Amortization were not computed and deducted on Intangible Assets-Computer Software amounting to ₱1.98 million, thus, casting doubt on the reliability of the value of the account and the fair presentation of the FSs.
2. Capiz State University (CPSU)		✓			<ul style="list-style-type: none"> Reconciling items of Cash in Bank - LCCA with net amount of ₱6.55 million remained unadjusted in the books as of year-end, hence, correctness and accuracy of the Cash in Bank - LCCA and other affected accounts are doubtful; Allowance for Impairment of Accounts and Other Receivables totalling ₱70.43 million which remained uncollected were not recognized/recorded, thus, affecting the fair presentation of said accounts in the FSs; and Other Receivables in the amount of ₱0.22 million were not supported with details and ledgers, hence, the balance in the FSs as at year-end remained doubtful; Office Supplies and Accountable Forms, Plates and Stickers Inventories of Roxas Main Campus totalling ₱0.79 million were not subjected to the year-end physical count, thus, the accuracy and existence of inventory balances could not be ascertained; Validity and accuracy of the Land account totalling ₱59.84 million as at year-end was doubtful due to the absence of PPELC and subsidiary records, thus, affecting the reliability and fairness of the presentation of the said account in the FSs;

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					<ul style="list-style-type: none"> • Absence of detailed schedule and subsidiary records to support the balance of School Buildings account for Roxas Main Campus totalling ₱10.03 million rendered difficulty in ascertaining its existence, accuracy and reliability at year-end; and • Accuracy of the CIP account as at year-end totalling ₱6.22 million is doubtful due to deficiencies in the recording of transactions.
3. Guimaras State College (GSC)		✓			<ul style="list-style-type: none"> • Accuracy of the Cash in Bank balance is doubtful due to unsubstantiated book reconciling items presented in the BRSS as of December 31, 2019, as additions to and deductions from the book balance amounting to ₱11.59 million and ₱9.37 million; • Existence and accuracy of PPE accounts as of December 31, 2019 amounting to ₱108.22 million are doubtful due to non-preparation and non-submission of the RPCPPE; and • Financial documents and reports were not submitted by the Accountant within the reglementary period while, DVs for transactions totalling ₱6.76 million were lacking, hence, regularity, validity and occurrence of transactions could not be ascertained.
4. Iloilo Science and Technology University (ISAT-U)		✓			<ul style="list-style-type: none"> • Proper monitoring and accountability for properties purchased out of Fund Transfers amounting to ₱11.51 million were not ensured, due to non-preparation of the required reports by the Supply Officer and the Accountant, thus, rendered doubtful the existence and completeness of these properties as of December 31, 2019; • Balance of Due to NGAs amounting to ₱9.85 million as of December 31, 2019 was found to be unreliable due to improper accounting treatment of disbursements out of Inter-Agency Transferred Funds and delayed submission of Fund Utilization Reports by the ISAT-U as Implementing Agency; • Failure to prepare, update and reconcile the SLCs and Stock Cards of the Accountant and the Supply Officer, respectively, contrary to the pertinent provisions of the GAM, resulted to a variance of ₱7.27 million in the GL and RPCI, thus, affecting the reliability and fairness of presentation of Inventory accounts as of December 31, 2019; and • Lapses in the recording and reporting of PPE, resulted in net understatement in the GL by ₱2.70 million, thus, affecting the reliability and fairness of presentation of the PPE accounts in the FSS as of December 31, 2019.
5. Iloilo State College of Fisheries (ISCOF)		✓			<ul style="list-style-type: none"> • Twenty-eight (28) DVs and supporting documents totalling ₱2.62 million were noted as lacking/missing, thereby casting doubt on the validity, propriety and regularity of the recorded disbursements; • Non-completion of the conduct of inventory of all the College's PPE totalling ₱549.89 million per December 31, 2019 rendered doubtful the existence, accuracy and valuation of the assets; • Completeness, accuracy and existence of the Inventory accounts as of December 31, 2019 amounting to ₱7.23 million could not be ascertained due to incomplete conduct of physical inventory and failure to prepare the SLCs, Stock Cards and RPCI; • Balance of Due to NGAs amounting to ₱17.80 million as of December 31, 2019 was found to be unreliable due to improper accounting treatment of disbursements out of Inter-Agency Transferred Funds and delayed submission

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					<p>of Fund Utilization Reports by ISCOF as Implementing Agency;</p> <ul style="list-style-type: none"> • Erroneous recording and reporting of financial assistance for free higher education amounting to ₱109.97 million resulted in doubtful balances in the FSs, contrary to pertinent provisions of the IRR of RA No. 10931; and • Receipts from fees for comprehensive examinations, dissertations, thesis defense and special problem defense amounting to ₱3.13 million covering the AY 2017-2018 to 2019-2020 were neither supported with issued official receipts nor recognized in the books, rendering the accounts as presented in the FSs doubtful.
6. Northern Iloilo Polytechnic State College (NIPSC)		✓			<ul style="list-style-type: none"> • Non-preparation of the CY 2019 RPCPPE for properties amounting to ₱762.41 million and deficiencies in the control mechanisms, rendered unreliable the year-end PPE account balances; • Accounts receivables amounting to ₱68.99 million were either not reconciled with SLs or do not have SLs, contrary to Section 111 (1) of PD No. 1445 and Appendix 6 of GAM, Volume II, thus, completeness and accuracy of the accounts receivables could not be ascertained; • Undocumented variation orders for eight projects with total contract cost of ₱33.96 million resulted in the difficulty of ascertaining the reasonableness of the noted variances between the scope of work in the contract and the constructed project, contrary to Annex E 1.1 of the Revised IRR of RA No. 9184; • Existence and accuracy of Inventory Accounts amounting to ₱1.84 million are doubtful due to non-conduct of physical count of inventories and non-preparation of the CY 2019 RPCI; and • Accuracy and reliability of the reported net income of Ph1.83 million from the Business Related Funds for the year ended December 31, 2019 could not be ascertained due to the deficiencies noted, contrary to the Income/Resource Generation Manual (IRGM) and the absence of accurate records of production and sales contrary to Section 111 of PD No. 1445.
7. University of Antique (UA)		✓			<p>Existence and accuracy of PPE amounting to ₱660.25 million or 90.82 percent of the total assets of ₱728.92 million as of December 31, 2019 were doubtful due to non-submission of the RPCPPE and incomplete and non-maintenance of PPELC and Property Cards, thus, affecting the reliability and fairness of presentation of the PPE accounts in the FSs.</p>
8. West Visayas State University (WVSU)		✓			<ul style="list-style-type: none"> • Accuracy and existence of PPE totalling ₱1.36 billion per December 31, 2019 financial statements could not be ascertained due to non-reconciliation of property records with the accounting records; • Validity and accuracy of various PPE accounts of the WVSU - CAF and Pototan Campuses totalling ₱79.67 million, could not be ascertained due to the Accountant's failure to provide depreciation resulting in overstatement of the asset accounts and understatement of expense accounts; • Long outstanding reconciling items in the BRSs of the WVSU - Main, CAF and Pototan Campuses remained unadjusted, thus, rendered the correctness of the Cash in Bank account amounting to ₱357.97 million and other affected accounts doubtful. • Outstanding unreconciled online deposits in the latest BRSs totalling ₱9.84 million remained unadjusted as of

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					<p>December 31, 2019, thus, resulted in the understatement of Cash in Bank and Government Equity accounts; and</p> <ul style="list-style-type: none"> Delayed submission of January to July 2019 DVs and supporting documents totalling ₱63.33 million as well as non-submission of August to November 2019 and several CY 2018 DVs amounting to ₱104.53 million and ₱0.69 million, respectively, of the Newborn Screening Center - Visayas (NSC-V), contrary to Sections 7.1.1 (a) and 7.2.1 (a) of COA Circular No. 2009-006 dated September 15, 2009, precluded the timely audit and verification of the transactions.
TOTAL	0	8	0	0	
REGION VII - CENTRAL VISAYAS					
1. Bohol Island State University (BISU)		✓			<ul style="list-style-type: none"> PPE account with year-end balance of ₱616.64 million included tangible items below the capitalization threshold of ₱15,000.00 aggregating ₱30.26 million which were already issued to end-users, resulting in the overstatement of the affected PPE and Accumulated Surplus/(Deficit) accounts by the same amount; Existence and accuracy of the Inventories account balance aggregating ₱40.01 million as at year-end is unreliable due to the unrecorded utilization of supplies and materials of BISU Main Campus totalling ₱27.11 million, thereby overstating the Inventories and Accumulated Surplus/(Deficit) accounts and understating various expense accounts as at year-end; and Advances for Payroll and Due to Officers and Employees accounts in the Special Trust Fund totalling ₱2.55 million as at December 31, 2019 were overstated by ₱2.48 million due to the failure of the Cashier of BISU Main Campus to submit the Report of Cash Disbursement, liquidation reports and paid payrolls to the Accounting Office, hence liquidation was not taken up in the books as at year-end.
2. Cebu Normal University (CNU)		✓			<ul style="list-style-type: none"> Inventories accounts as at December 31, 2019 included semi-expendable properties already issued to the end-users totalling ₱4.06 million, which is contrary to Section 10, Chapter 8 of the GAM, Volume I, thereby resulting in the overstatement of the related current operating expenses with corresponding overstatement in the Accumulated Surplus/(Deficit) from current operations by the same amount; and Reported balance of the Accounts Payable as at December 31, 2019 is understated by ₱1.00 million due to the non-recording of its obligation to pay for the delivered goods/services relating to the Upgrade of Audio Visual in Teaching Arts Centrum (TAC) Building, pursuant to Chapter 3 of the GAM, Volume III, thus correspondingly understating the ICT Equipment account by the same amount as at year-end.
3. Cebu Technological University (CTU)		✓			<ul style="list-style-type: none"> Receivables from uncollected school fees totalling ₱33.37 million were not recorded in the books, contrary to Section 6 (b), Chapter 2 of the GAM, Volume I and Item 2.1 of COA Circular Letter No. 2004-002, resulting in the understatement of the Receivable account by ₱32.04 million and the Tuition and Other School Fees accounts by ₱33.37 million; Year-end balances of the Accounts Payable account in the General Fund and Special Trust Fund totalling ₱110.02 million and ₱174.03 million, respectively, were unreliable due to the recognition of the undelivered purchases in CY 2019 as payables of CTU Carmen and Danao Campuses

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					<p>totalling ₱11.91 million, thus overstating the affected assets, liabilities and expenses accounts as at year-end; and</p> <ul style="list-style-type: none"> Expenditures for the major repair/rehabilitation of the Alumni Office of CTU Carmen Campus totalling ₱1.53 million were not recorded as addition to the value of the School Building but erroneously recorded as Repairs and Maintenance - Buildings and Other Structure, thus understating the PPE account and overstating the Repairs and Maintenance account by the same amount.
TOTAL	0	3	0	0	
REGION VIII - EASTERN VISAYAS					
1. Biliran Province State University (BiPSU)		✓			<ul style="list-style-type: none"> Unreleased checks as at year-end amounting to ₱1.68 million were not reverted to the cash accounts, thereby understating the Cash in Bank - LCCA and the corresponding liability/payable account by the same amount; Reliability and accuracy of the Accounts Receivable year-end balance of BiPSU Main Campus totalling ₱23.07 million were doubtful due to: a) variance of ₱0.24 million between the GL balance and the Schedule of Accounts Receivable (SAR); and b) the SAR not being in the prescribed format; Accuracy and reliability of the Advances for Payroll account with a year-end balance of ₱9.81 million were doubtful in view of the: 1) variance of ₱2,005.00 between the balances in the subsidiary records and in the FSs; and 2) unrecorded liquidations and accounting errors which resulted in the overstatement of the account amounting to ₱2.62 million, as well as understatement of the related expense accounts and Accumulated Surplus/Deficit. Moreover, cash advances for payroll totalling ₱7.19 million remained unliquidated as of December 31, 2019, thereby exposing government funds to risk of loss or misuse; and Reliability and accuracy of the Loans Receivable and the Due to NGAs accounts, under Trust Receipts (SAFE Loan Program and the STUFAP), amounting to ₱6.68 million and ₱9.33 million, respectively, cannot be ascertained due to the absence of separate and complete accounting records for these Trust Funds at BiPSU Biliran Campus in CYs 2008 to 2011 and to other deficiencies noted and/or errors in the books of BiPSU Main Campus; and Propriety and validity of the Accounts Payable with year-end balance of ₱28.88 million cannot be ascertained due to incomplete supporting documents for the Accounts Payable totalling ₱21.47 million and variance in the balances as appearing in the Statement of Financial Position and in the Financial Accountability Reports of the University.
2. Eastern Samar State University (ESSU)		✓			<p>Year-end balances of the following accounts are unreliable which affected the fair presentation of FSs:</p> <ul style="list-style-type: none"> Cash in Bank- LCCA Local due to variance in balances between the Bank Confirmation Results and the GL of ₱11.42 million; and non-preparation of BRSs by the Guiuan Campus; Accounts Receivable due to a total understatement of ₱25.19 million; Allowance for Impairment of Accounts Receivable never provided in Maydolong Campus; the same not provided in Main and Guiuan Campuses in CY 2019;

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					<ul style="list-style-type: none"> • PPE accounts due to: a) failure to conduct an inventory on PPE items- ₱501.70 million; b) discrepancy in balances between the Statement of Financial Position and the submitted RPCPPE- ₱2.14 million; c) non-provision of allowance for depreciation and net over-depreciation on several PPE accounts, ₱28.42 million and ₱0.37 million, respectively; d) non-reclassification to semi-expendable property of some tangible items- ₱13.26 million; and e) absence of proof of ownership of the Land account- ₱5.50 million; • Accounts Payable due to: a) existence of Accounts Payable without supporting documents- ₱6.00 million; b) unsubstantiated net credit adjustments- ₱1.89 million; c) expenses incurred in CY 2018 but recorded in CY 2019 as deductions to Accounts Payable- ₱27,840.86; d) Accounts Payable outstanding for two years or more- ₱8,274.75; and e) lack of SLs of Can-avid and Guiuan Campuses; • Due to BIR, Due to GSIS, Due to Pag-IBIG and Due to PhilHealth accounts include accumulated unremitted, negative and unaccounted balances totalling ₱0.27 million; ₱1.21 million; ₱0.52 million and ₱0.15 million, respectively; • Other Payables account due to unaccounted and/or unreconciled balances totalling ₱5.61 million caused by the non-preparation of regularly updated and reconciled SLs for all transactions related to the account; • Reported net income from IGPs of ₱0.63 million at year-end due to the absence of some FSs, journals, ledgers and trial balances for each IGP; • Expenses totalling ₱1.00 million pertaining to CY 2018 were not recorded by Guiuan and Maydolong Campuses in CY 2018, but recorded in CY 2019; • Various expenses of IGPs of the Main, Can-avid and Salcedo Campuses were charged against the Internally Generated Fund instead of Business Related Fund; and • Disclosure requirement in the Notes to FSs under the PPSASs were not fully observed for the reported balances in the consolidated Statement of Financial Position of PPE, Biological Assets, Intra-Agency Payables and Other Payables accounts amounting to ₱1.01 billion; ₱0.99 million; ₱9.27 million and ₱5.71 million, respectively, and of various accounts reported in the individual Statement of Financial Position of Can-avid and Maydolong Campuses, thus, information contained in the NFSs did not adequately provide relevant information on the financial position and performance of ESSU as at year-end.
3. Eastern Visayas State University (EVSU)			✓		<ul style="list-style-type: none"> • Reliability, existence and accuracy of the Cash in Bank - LCCA year-end balance of ₱808.41 million could not be relied upon due to: a) discrepancy in balances of ₱34.09 million between bank confirmation results and GL, and ₱148.63 million between GL of the Main Campus and SLs of Campuses; b) doubtful existence of book balances without the corresponding bank accounts aggregating ₱304.21 million; abnormal year-end balances totalling ₱85.70 million; and c) various misstatements in the books, thus affecting the fair presentation of the FSs; • Accuracy, reliability and validity of the year-end balances of Accounts Receivable and School Fees accounts amounting to ₱0.28 million and ₱248.32 million, respectively, are doubtful due to: a) unsubstantiated adjustments of ₱40.84 million; b) abnormal year-end

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					<p>balances of ₱2.27 million; and c) inconsistent application of the accrual method of income from School Fees;</p> <ul style="list-style-type: none"> • Accuracy of the year-end balances of PPE accounts totalling ₱1.50 billion could not be ascertained in view of: a) discrepancy totalling ₱362.25 million between the balance in the agency books and the balance in the submitted RPCPPE; b) failure by the Accounting Offices to update PPELCs; and c) failure by the Supply Offices to update Property Cards, thus affecting the fair presentation of the FSs; • Accuracy and reliability of the CIP account balance of ₱33.59 million are doubtful due to: a) presence of negative/abnormal balance in the books under Internally Generated Fund - Main Campus amounting to ₱4.07 million; b) non-reclassification to the appropriate asset account of the completed projects totalling ₱64.69 million; c) erroneous recording of adjusting entry resulting in the understatement of the account by ₱11.67 million; and d) non-submission to the Audit Team of the transactions documents totalling ₱45.50 million (debits) and ₱55.09 million (credits), thus affecting the fair presentation of the accounts in the FSs; • Reliability and accuracy of the balances of the Advances for Operating Expenses; Advances for Payroll; Advances to SDOs; and Advances to Officers and Employees accounts in the aggregate amount of ₱20.62 million are doubtful due to: a) discrepancy between the balance in the GL and the balance in the reports (Aging of Cash Advances and the Status of Unliquidated Cash Advances) in the amount of ₱40.22 million; and b) long overdue and dormant cash advances totalling ₱22.45 million, thus affecting the fair presentation of the accounts in the FSs; • Validity and accuracy of the year-end balance of the Accounts Payable amounting to (₱6.01 million) could not be relied upon due to: a) abnormal/ negative balances in the GL and in the Schedule of Accounts Payable totalling ₱19.83 million; b) Accounts Payable without valid claimants or supporting documents totaling ₱0.98 million; and c) overstatement of the account balance by ₱5.20 million in view of the erroneous recording of transactions, thus affecting the fair presentation of the FSs; • Validity and accuracy of the Other Payables account balances amounting to ₱91.99 million are doubtful in view of: a) abnormal/negative beginning balances totalling ₱9.69 million; and b) prior years' balances in the books of the Main and the Tanauan Campuses under Fund FC 01 amounting to ₱66.88 million and ₱8.74 million, respectively, were not supported with subsidiary records/details, thus affecting the fair presentation of the FSs; and • Validity and accuracy of the account Due to NGAs as of September 30, 2019 of ₱196.46 million could not be relied upon due to: a) non-maintenance of SLs or schedules under FC 01 of the Main Campus and all funds of the External Campuses amounting to ₱37.84 million and ₱8.00 million, respectively; b) existence of abnormal balances totalling ₱4.83 million; c) non-booking up of the receipts of the DOST - Philippine Council for Industry, Energy and Emerging Technology Research and Development and the Eastern Visayas Consortium for Industry, Energy and Emerging Technology Research and Development funds amounting to ₱0.50 million and ₱97,500.00, respectively, and the charges thereto; d) erroneous entry to take up

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					utilization of the CHED - Higher Education Development Fund for Library Upgrading in CYs 2014-2016 amounting to ₱1.95 million, thereby affecting the fair presentation of the account in the FSs.
4. Leyte Normal University (LNU)		✓			<ul style="list-style-type: none"> • Cash in Bank accounts due to: a) ₱1.01 million of stale checks were still included as outstanding checks; b) ₱3.72 million of unrecorded online collections and a net total of ₱2.74 million of unrecorded interests, taxes and unadjusted erroneous recordings; and c) ₱4.45 million of unsubstantiated adjusting entries; • Accounts Receivables totalling ₱37.42 million due to the absence of composition/breakdown and other pertinent transaction details of the receivables totalling ₱8.13 million which comprised 22 percent of the total amount; • Merchandise Inventory year-end balance of ₱5.33 million due to: a) unaccounted balance of ₱3.09 million classified as Other Subsidiary Ledger (OSL); b) non-maintenance of Stock Cards; and c) non-preparation/submission of the RPCI, thus affecting the fair presentation of the account in the FSs; • Inventory Held for Consumption year-end balance due to the following: a) unsubstantiated JEVs taking-up issuances totalling ₱0.68 million; b) purchases of petroleum products amounting to ₱0.40 million were directly charged to Fuel, Oil and Lubricants expense accounts while prior year's issued/utilized petroleum products were not dropped from the books, resulting in a non-existing inventory year-end balance of ₱0.42 million; and c) failure to regularly conduct the physical count of inventories to substantiate the reported year-end balance of ₱13.02 million, contrary to pertinent regulations. Moreover, Stock Cards were not maintained and RPCI were not submitted despite prior year's audit recommendation; • PPE year-end balance of ₱842.70 due to variances totalling ₱138.38 million, caused by the failure of the Accounting and Supply Offices to complete the reconciliation of respective records, the absence of RPCPPE caused by the failure of the constituted Inventory Committee to conduct a complete physical count of all PPEs notwithstanding prior years' audit recommendations, thus rendering the year-end balance unreliable; • Accounts Payable aged two years and above totalling ₱1.31 million and ₱0.13 million aged three years and above or a total combined balance of ₱1.44 million not reverted to the Accumulated Surplus or Deficit of the General Fund in compliance with the EO No. 87 dated August 13, 2019; • Due to NGAs account balance of ₱14.36 million due to the unsupported/unsubstantiated balance of ₱1.88 million labeled as Various CHED Programs and Projects previously classified as OSL; and the existence and non-disposition of dormant balances totalling ₱6.20 million and ₱2.64 million of the Due to NGAs and Due to LGUs, respectively, aged from two to more than seven years, in view of the absence of the Memoranda of Agreement (MOAs)/contracts or its equivalent, the implementation of which were either accomplished, discontinued or have ceased their purposes deprived the government the use of the much needed funds for other priority projects; • Other Payables year-end balance of ₱22.72 million was not ascertained due to: a) School Fees totalling ₱3.32 million were erroneously recorded as Other Payables in the books of FC-07 instead of FC-05; and b) unsubstantiated

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					<p>payables amounting to ₱0.29 million in the books of FC-01 classified as OSL while OSL totalling ₱0.33 million in the books of FC-05 was derecognized without legal basis; covering a total of ₱3.94 million or equivalent to 17.35 percent of the year-end balance of Other Payables, thus, affecting the fair presentation of the FSs; and</p> <ul style="list-style-type: none"> • IGP net income for CYs 2018 and 2019 amounting to ₱3.26 million and ₱4.67 million, due to the absence of complete sets of financial statements, journals and ledgers of each IGP, contrary to Chapter VII of the Manual of Operations for IGPs of State Universities and Colleges (SUCs) in Region 8.
5. National Maritime Polytechnic (NMP)		✓			<ul style="list-style-type: none"> • Existence and accuracy of the year-end balance of PPE at gross cost of ₱1.01 billion could not be ascertained due to: (a) non-inclusion of some PPE accounts valued at ₱73.13 million in the RPCPPE; (b) discrepancy of ₱80.67 million between the balance in the FSs and the submitted RPCPPE; (c) unaccounted PPE items aggregating ₱37.41 million; and (d) misclassification of some properties totaling ₱26.70 million, thereby affecting the fair presentation of the FSs; and • Propriety and validity of Accounts Payable with year-end balance of ₱1.49 million was doubtful due to: a) non-submission of supporting documents for Accounts Payable totalling ₱1.46 million; b) variance in the balances as appearing in the Statement of Financial Position, Schedule of Accounts Payable and the Financial Accountability Reports; and c) Accounts Payable totalling ₱11,613.00 remaining outstanding for more than two years, thereby affecting the fair presentation of the account in the FSs.
6. Northwest Samar State University (NwSSU)		✓			<ul style="list-style-type: none"> • Existence, accuracy and completeness of the PPE accounts with a total net book value of ₱506.99 million as of December 31, 2019 could not be ascertained due to: a) discrepancy in balances between the financial statement and the RPCPPE totalling ₱537.69 million; and b) overstatement by ₱1.02 million due to erroneous recording of transactions; • PPE items totalling ₱147.17 million were not provided with depreciation; and the five percent Residual Value was not used for PPE acquired prior to CY 2019, thus resulting in the understatement by ₱0.27 million on their computed depreciation; • Validity and propriety of the Accounts Payable as at year-end totalling ₱7.74 million could not be relied upon due to: (a) overstatement by ₱4.53 million caused by undelivered procurements of ₱0.15 million; unperformed works of infrastructure projects of ₱4.08 million; and errors in recording of transactions of ₱0.30 million, which were all recorded as Accounts Payable; and (b) insufficient supporting documents for Accounts Payable totalling ₱0.21 million; • Accuracy of the Accounts Receivable balance amounting to ₱7.09 million as at year-end could not be relied upon due to: a) absence of details/names of specific debtors on Accounts Receivable of NwSSU- Main Campus amounting to ₱5.59 million; and b) variance in balance between the Schedule of Accounts Receivable of NwSSU-San Jorge Campus and the Statement of Financial Position amounting to ₱0.92 million; • Doubtful accuracy of the Inventory accounts totalling ₱3.37 million as of December 31, 2019 due to: a) discrepancy of the balances between the financial

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					<p>statements and the RPCI totalling ₱3.22 million; and b) total overstatement of the Inventory accounts balance by ₱0.56 million due to erroneous recording of transactions; and</p> <ul style="list-style-type: none"> • Year-end balance of the Cash in Bank - LCCA amounting to ₱125.75 million could not be relied upon due to the variance in balances between the books and the bank records amounting to ₱1.39 million.
7. Palompon Institute of Technology (PIT)		✓			<ul style="list-style-type: none"> • Cash in Bank - LCCA and Cash in Bank - LCSA of ₱39.17 million and ₱12.69 million, respectively, in view of: a) savings deposit of ₱0.25 million recorded in the book of FC-05 instead of Fund Cluster 06 (FC-06); b) not reverted balance of fund transfer for MOOE of Tabango Campus amounting to ₱73,760.83 under the Regular Agency Fund (FC-01); and c) stale checks of ₱1,800.00 were still included as outstanding checks, rendering the balance unreliable, and affecting the fair presentation of the FSs as of December 31, 2019; and a total of of prior years' bank errors remained uncorrected by the servicing bank; • Accounts Receivables amounting to ₱18.02 million due to: a) the non-collectability of dormant accounts totalling ₱4.22 million, which have been relatively non-moving or dormant for 12 to 14 years and above; and b) the existence of abnormal/negative balances in the SLs totalling ₱15,145.00 causing a reduced reported year-end balance by the same amount, thus, affecting the fair presentation of the FSs; • Loans Receivable-Others amounting to ₱1.62 million due to the non-recognition of Allowance for Impairment/ Impairment Loss of the account and the erroneous charging of loans granted to students amounting to ₱0.12 million to Internally Generated Fund (FC-05) instead of Trust Receipt (FC-07) thus, affecting the fair presentation of the FSs as of December 31, 2019; and Management failed to collect the outstanding loans receivables and to derecognize the outstanding Loans Receivable-Others, aged 10 years and above in compliance with COA Circular No. 2016-005 dated December 19, 2016; • Inventory Held for Sale, Inventory Held for Consumption and Semi-Expendable Machinery and Equipment amounting to ₱1.37 million, ₱1.94 million and ₱23,579.00, in view of the absence of RPCI that is reconciled with the SLCs of the Accounting Office and Stock Cards of the Supply Office, due to the failure of the constituted Inventory Committee to conduct the physical count of inventories, thereby affecting the fair presentation of the account balances in the FSs as of December 31, 2019; • PPE accounts totalling ₱393.24 million as at year-end due to the failure of the Inventory Committee of both PIT Main and Tabango Campuses to conduct a complete physical count of all PPEs; and failure of the Accounting and the Supply Offices to complete the reconciliation of the PPELCs, Property Cards and RPCPPE which resulted in variances amounting to ₱7.06 million, thus rendering the year-end balance unreliable; • Prepaid Insurance understated by ₱0.80 million due to the outright debiting to Insurance Expense the amount of ₱1.55 million and inadvertently booking up ₱37,804.50 to Taxes, Duties and Licenses, resulting in understatement of the Prepaid Insurance account by ₱0.80 million, overstating the Insurance Expense by ₱0.77 million and the Taxes, Duties and Licenses by ₱37,804.50, thus affecting the fair presentation of the accounts in the FSs;

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					<ul style="list-style-type: none"> Accounts Payable aged two years and above totalling ₱85,000.00, due to the non-reversion to the Accumulated Surplus or Deficit of the General Fund in compliance with the EO No. 87 dated August 13, 2019; Due to BIR, Due to GSIS, Due to Pag-IBIG, and Due to PhilHealth accounts totalling ₱0.51 million due to the existence of negative year-end balances in SLs totalling ₱0.55 million, thereby casting doubt on the reliability of the balances of the accounts as presented in the FSS; and Due to Other Funds and Due to Officers and Employees, in view of the inadvertent recording of the shares of officers from the profit sharing of the income earned from the operations of the IGP as at year-end amounting to ₱0.30 million, resulting in overstatement of the former and understatement of the latter account for the same amount, thus affecting the reliability of the account balances in the FSS.
8. Samar State University (SSU)		✓			<ul style="list-style-type: none"> Existence, accuracy and completeness of PPE accounts with total net book value of ₱683.04 million as of December 31, 2019 could not be ascertained due to the following: a) discrepancy of the balances between the financial statement and the RPCPPE totalling ₱396.90 million ; b) non-capitalization of major repairs and/or renovations/upgrades totaling ₱3.36 million; and c) net overstatement of ₱8.91 million due to various errors in recording and/or unrecorded transactions; PPE items totalling ₱55.13 million were not provided with depreciation, which resulted in the understatement of Depreciation Expense and Accumulated Depreciation accounts at year-end by ₱10.04 million; Discrepancy of the balances between the financial statement and the RPCI totalling ₱55.11 million and the total overstatement of the Inventory accounts balance of ₱1.39 million due to erroneous recording rendered the accuracy and completeness of the year-end balance of the Inventory accounts totalling ₱55.79 million doubtful; Year-end balance of the Cash in Bank - LCCA amounting to ₱153.19 million could not be relied upon due to the variance between the balances in the books and the balances in the bank records amounting to ₱1.62 million; Year-end balance of the Accounts Payable totalling ₱19.60 million could not be relied upon due to the following noted deficiencies: a) unsubstantiated Accounts Payable amounting to ₱0.52 million; and b) abnormal debit balances of AP amounting to ₱15.03 million appearing in the SLs; Reliability of the Due to BIR account amounting to ₱1.86 million as of year-end is doubtful due to improper use of SL resulting in multiple accounts of payee, existence of abnormal balances appearing in the SL, no changes or updates in the SL for the carry-over balance from CY 2018, and a variance of ₱5.42 million between the Alphalist and GL; CIP - Buildings and Other Structures account is understated by the net amount of ₱4.88 million due to errors in recording and/or unrecorded transactions, and failure to account the 10 percent of the contract price for the Retention Money in recording the progress billings/payments; Accuracy of the Accounts Receivable balance amounting to ₱4.69 million as of year-end could not be relied upon due to: (a) absence of details/names of specific debtors for

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					<p>the recorded receivables of ₱3.74 million; and b) unsubstantiated adjustments under Internally Generated Fund amounting to ₱23.09 million;</p> <ul style="list-style-type: none"> • Balance of the Allowance for Impairment of Accounts Receivable of ₱81,104.14 pertains to CY 2009, thereby no Allowance for Impairment of Accounts Receivable was provided in CYs 2010-2019; • Accuracy of the reported net loss at year-end totalling ₱4.31 million could not be ascertained due to the absence of the FSs, journals and ledgers for each IGP.
9. Southern Leyte State University (SLSU)		✓			<ul style="list-style-type: none"> • Cash in Bank-LCCA of ₱168.61 million, due to: a) discrepancy of ₱23.10 million between the GL balance and the bank confirmation; b) unreconciled variance of ₱10.95 million; c) abnormal Cash in Bank- LCCA balance of ₱0.29 million under Regular Agency Fund of San Juan Campus; d) non-preparation of BRSs of San Juan Campus covering CYs 2009 to 2015; and e) unreverted stale checks of ₱51,974.50; • Accounts Receivable of (₱13.70 million), due to: a) existence of negative balance totalling ₱22.40 million, thus reducing the account balance at year-end; b) discrepancy in balances between the GL and the SLs of External Campuses of ₱33.05 million; • PPE account with net value of ₱463.95 million, due to: a) failure to conduct complete inventory of PPE items with book value of ₱525.04 million; b) discrepancy in PPE balances between the CY 2019 FSs and the submitted RPCPPE of the Tomas Oppus, San Juan and Hinunangan Campuses totalling ₱113.31 million; c) failure to update the PPE Ledger Cards maintained for each class/type of PPE of the Main Campus and San Juan, Hinunangan and Tomas Oppus Campuses; d) absence of property records for PPEs procured in previous years by Main, Bontoc, San Juan and Hinunangan Campuses; and e) failure to reconcile the accounting and the property records; • Parcels of land occupied by Tomas Oppus Campus valued at ₱1.67 million had Transfer Certificates of Titles, but not under the name of the University; • Several GL and SL accounts had abnormal/negative balances totalling ₱31.30 million; and • Net income from IGPs totalling ₱0.42 million due to the absence of FSs, journals and ledgers for each IGP.
10. University of Eastern Philippines (UEP)			✓		<ul style="list-style-type: none"> • Year-end balances of the Cash in Bank - LCCA and LCSA of ₱138.99 million and ₱1.95 million, respectively, could not be relied upon due to: a) net overstatement of ₱99,901.67 due to non-recording of transactions; b) variances in balances of: (i) between the Consolidated FSs and the total of the individual financial statements of all campuses; and (ii) between the GL and SL of the Main Campus; c) absence of Bank Statements to support the BRSs and absence of details of some reconciling items in the BRSs; and d) non-preparation of BRSs for Cash in Bank - LCSA with year-end balances totalling ₱0.19 million; • Existence and accuracy of the year-end net book value of the PPE accounts totalling ₱683.13 million could not be ascertained due to: a) lack of schedule of CIP account totalling ₱202.81 million; b) absence of details and non-provision of depreciation of PPE items totalling ₱63.44 million; c) erroneous classification of account totalling ₱2.38 million; d) non-submission of RPCPPE as of December 31, 2019; e) laxity of the Accounting Office and

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					<p>the Supply Office/Property Management Office in maintaining reports and records necessary to account for the PPE items; f) lack of periodic reconciliation between the Accounting and the Supply/Property records; and g) non-recording of received PPE donations in the books;</p> <ul style="list-style-type: none"> • Erroneous recording and classification of receivables from the CHED and the DepEd for assessed school fees of eligible college and senior high school students, respectively, resulted in overstatement of Due from NGAs account by ₱4.39 million and understatement of Accounts Receivable account by the same amount as at year-end; • Absence of SLs and necessary schedules to support the 13 GL accounts totalling ₱92.06 million and the difference of ₱11.49 million between the total balance of the Statement of Financial Position of the three campuses and the balance of the Consolidated Statement of Financial Position; and • Receivables from rental of facilities totalling ₱0.50 million were not recorded in the books, resulting in the understatement of the receivable and income accounts as at year-end.
11. Visayas State University (VSU)		✓			<ul style="list-style-type: none"> • Reported balances of the PPE accounts totalling ₱1.07 billion as of December 31, 2019 are of doubtful accuracy, reliability and existence due to: (a) unreconciled discrepancy between the balances in the records of the Accounting and the balances in the records of the Supply Offices' of the Main and External Campuses totalling ₱88.79 million; (b) non-provision of allowance for depreciation for properties costing ₱1.44 million; (c) failure to dispose unserviceable properties of Alangalang and Isabel Campuses aggregating ₱1.96 million; and (d) non-submission by Tolosa Campus of RPCPPE; • Accuracy, reliability and existence of the Cash in Bank - LCCA balance of ₱669.09 million and Cash in Bank - LCSA balance of ₱1.38 million were doubtful due to: (a) unreconciled discrepancy in balances: (1) between the GL and the Bank Confirmation Results- ₱43.49 million; (2) between the SLs of the Main Campus and of the External Campuses- ₱25.05 million; and (3) between the ending balance in CY 2018 and the beginning balance in CY 2019 SLs of Tolosa Campus- ₱11.36 million; and (b) understatement of ₱9.03 million due to the failure to adjust/record in the books valid reconciling items and to revert CY 2019 unreleased commercial checks and stale checks as at year-end; • Accuracy and reliability of the Due to NGAs year-end balance of ₱209.98 million were doubtful due to: (a) discrepancy between the balance in the VSU records and the balance in the SA records amounting to ₱166.87 million; (b) existence of idle/unexpended balance of projects aggregating ₱27.51 million; (c) abnormal/negative balances totalling ₱24,491.06; and (d) deficiencies in the utilization and recording of Administrative Costs/Research and Extension (R&E) aggregating ₱40.15 million; • Accuracy and reliability of the year-end Accounts Receivable balance of ₱62.22 million could not be ascertained due to: (a) unrecorded assessments of school fees- ₱23.83 million (b) unrecorded collections- ₱18.58 million and misclassified collections- ₱9.91 million; and (c) existence of dormant accounts for 10 years or more- ₱4.47 million; • Validity, propriety and reliability of the reported year-end balance of the Accounts Payable totalling ₱13.70 million

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					<p>were doubtful due to: (a) unsupported/ undocumented payables- ₱10.36 million; (b) misclassified accounts- ₱2.86 million; and (c) unrecorded payables for delivered supplies and materials- ₱0.52 million;</p> <ul style="list-style-type: none"> • Accuracy, validity and existence of the year-end balances of the Inventories totalling ₱13.12 million could not be ascertained due to: a) non-preparation/non-submission of RPCI; b) unaccounted construction materials in stock of the Main Campus- ₱8.40 million; c) non-recording of issued inventories as appearing in the Report of Supplies and Materials Issued (RSMI) of Tolosa Campus; and d) non-maintenance of SL per campus and SLC for each class of supplies and materials of all campuses; • Accuracy and reliability of the reported year-end balance of the Other Payables totalling ₱3.99 million were doubtful due to: (a) net overstatement by ₱2.16 million because of misclassification of accounts; (b) various items for reconciliation- ₱0.81 million; (c) unreconciled discrepancy between the balances in the SLs of the Main Campus and the balances in the SLs of the External Campuses- ₱1.67 million; • Reported year-end balance of the Advances to Officers and Employees account of ₱0.69 million of External Campuses could not be relied upon due to the discrepancy in balances of ₱0.38 million between the GL of the Main Campus and the SL of Isabel and Tolosa Campuses and likewise, the failure of Tolosa Campus to provide SL for FC 05 Internally Generated Fund; and • Absence of JEV to each DV of the Main Campus hindered the Audit Team from establishing the validity and correctness of journal entries in the Check Disbursement Journals (CKDJ), thereby casting doubt on the accuracy and reliability of the affected account balances in the FSs.
TOTAL	0	9	2	0	
REGION IX - ZAMBOANGA PENINSULA					
1. Basilan State College (BSC)				✓	<ul style="list-style-type: none"> • Collections amounting to ₱12.41 million and deposits of ₱12.51 million for Special Trust Fund- Fund 164 for the period January to December 2019, were recorded in the books of accounts in the absence of Report Collections and Deposits (RCD) and supporting documents prescribed under Section 39, Chapter 5, GAM, Volume I, thereby verification as to completeness could not be adequately performed; • Accuracy of the reported Cash in Bank- LCCA balance of ₱34.33 million as of December 31, 2019 could not be validated due to the non-submission of BRS for four bank accounts and non-availability of sufficient documents to verify the reported unidentified variance of ₱3.79 million between the Cash in Bank - LCCA Special Trust Fund unadjusted balance per books of ₱28.96 million and adjusted balance per bank of ₱32.78 million; • Prior years' collections for Fund 164 of ₱1.58 million and IGP of ₱0.304 million or a total amount of ₱1.879 million remained undeposited as of December 31, 2019 and submission of required RCD and its supporting documents covering CYs 2011 to 2018 has not been addressed by Management; and • Assertions on correctness, existence, valuation and regularity of the Inventory and PPE accounts stated in the Statement of Financial Position at ₱16.37 million and ₱249.99 million, respectively, as of December 31, 2019

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					could not be validated due to Management's non-conduct of physical inventory taking of its inventories and PPE, and due to incomplete, un-updated and unreconciled GL and subsidiary records, the Audit Team was unable to apply alternative audit procedures to ascertain the fairness of presentation of these accounts in the FS.
2. Western Mindanao State University (WMSU)		✓			<ul style="list-style-type: none"> Current and prior years' reconciling items per books reflected in the monthly BRS amounting to ₱17.17 million as of December 31, 2019, were not immediately recorded and adjusted in the book of accounts and cash records of the accountable officer, hence affecting the accuracy of Cash in Bank balance as at year-end; No Allowance for Impairment Loss was provided for long-outstanding Accounts Receivables and Loans Receivables - Others amounting to ₱23.13 million and ₱2.15 million, respectively, contravening Section 10, Chapter 7, GAM, Volume I; Balance of CIP - Buildings and Other Structures/ Infrastructure Assets presented in the FSs as of December 31, 2019 amounting to ₱148.27 million is overstated by ₱51.72 million; Balance of Accounts Payable presented in the FSs amounting to ₱74.67 million consisting of ₱42.06 million and ₱32.61 million for General Fund and Special Trust Fund, respectively, as of December 31, 2019 is overstated by ₱58.12 million; No depreciation has been provided on various PPE acquired in CYs 2018 and CY 2019 which is inconsistent with Section 2(c), Chapter 10, Volume I of GAM, resulting in the understatement of Accumulated Depreciation and Depreciation Expenses amounting to ₱0.70 million; Due to NGAs amounting to ₱43.47 million have not been fully substantiated with complete details/ breakdowns thus, assertions on reliability and existence and fairness of presentation of this account could not be fully established; and Advances to Contractors amounting to ₱4.58 million as of December 31, 2019, is understated by ₱3.99 million.
3. Zamboanga City State Polytechnic College (ZCSPC)		✓			<ul style="list-style-type: none"> PPE balance at year-end has unreconciled balance amounting to ₱1.86 million between the Accounting and Supply Units; Infrastructure projects amounting to ₱19.35 million completed 3 to 13 years ago were still recognized under the CIP accounts instead of reclassifying to PPE accounts; Donated property amounting to ₱2.54 million were not taken up in the books nor accounted in the Physical Count of PPE despite usage and recognition of income from rent; Inventory amounting to ₱0.56 million issued in prior years remained in the books despite usage and issuance since prior years; and Allowance for impairment was not provided for dormant and long-outstanding receivables amounting to ₱1.84 million.
4. Zamboanga State College of Marine Science and Technology (ZSCMST)		✓			<ul style="list-style-type: none"> Total balance of PPE accounts presented in the FSs as of December 31, 2019 of ₱435.70 million and the RPCPPE of ₱417.42 million contained various errors and deficiencies resulting in a total variance of ₱18.28 million; and various ICT Equipment delivered, inspected and accepted by the Agency during the year amounting to ₱1.94 million were not recognized in the books resulting in the understatement of Accounts Payable by ₱1.94

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					<p>million, ICT Equipment by ₱1.89 million and Semi-Expendable ICT Equipment by ₱46,000.00;</p> <ul style="list-style-type: none"> • Balance of Inventory account per books of ₱5.14 million and the RPCI of ₱0.37 million as of December 31, 2019 showed an unaccounted variance of ₱4.77 million including recorded non-moving inventory items of ₱2.00 million which have already been issued and non-existing; • CIP - Buildings and Other Structures included completed Building and Structure and unused Construction Materials Inventory resulting in the overstatement of CIP by ₱1.15 million and understatement of Building and Structures and Construction Materials Inventory accounts by ₱0.16 million and ₱0.93 million, respectively; • Cash in Bank - LCCA has net understatement of ₱0.82 million and Total Liability Account is understated by ₱0.83 million due to non-reversion of unreleased checks amounting ₱0.83 million and unrecorded reconciling items amounting to ₱11,560.03; • Receivable accounts of ₱7.70 million could not be substantiated due to the absence of details and/or Schedule of Receivables that would support the recorded amount; and • Subsidiary records and/or details of account Due to NGAs amounting to ₱18.78 million were not submitted by the Agency to substantiate the amount recorded and balance of the account.
TOTAL	0	3	0	1	
REGION X - NORTHERN MINDANAO REGION					
1. Bukidnon State University (BukSU)		✓			<ul style="list-style-type: none"> • Balance of Accounts Payable of ₱147.40 million as of December 31, 2019 is doubtful due to: a) inclusion of various obligations that are not yet due and demandable of ₱129.82 million or 88 percent of the total accounts payable; and b) payables amounting to ₱2.78 million that remain outstanding for two years and more as of December 31, 2019; • Cash in bank for Special Trust Fund - Main with a balance of ₱160.43 million as of December 31, 2019 is unreliable due to non-reversion of unreleased checks back to the account at year-end in the amount of ₱1.15 million; • Inventory accounts with a total book balance amounting to ₱55.00 million is deemed unreliable due to: a) incomplete recording of all transactions involving inventory items in their respective Stock Cards, b) incomplete Stock Cards for all inventory items and c) non-recognition of issued/used inventory in the books of accounts; and • Non-submission of request for relief from accountability for lost item, discrepancy in the actual count and trial balance and the inclusion of unidentified items in the supporting schedule for the PPE, thus affecting the valuation of the PPE accounts in the FSs.
2. Camiguin Polytechnic State College (CPSC)		✓			<ul style="list-style-type: none"> • Improper recording of expenses incurred amounting to ₱15.72 million due to incorrect charging of expense accounts and inappropriate use of account codes, thus presenting misleading financial results; • CIP account balance of ₱13.30 million was unreliable due to: (a) recognition of the unbilled portion of project cost as CIP totalling ₱4.95 million; and (b) inclusion of amount advanced to contractors totalling ₱2.00 million; • Reported carrying amount of PPE of ₱154.07 million was doubtful due to: a) material variances of recorded amount of Accumulated Depreciation and Depreciation Expense

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					accounts totalling ₱6.82 million; b) unreconciled costs of various PPE accounts as reported by the Accounting and Supply Units totalling ₱154.97 million; and c) inclusion of semi-expendable properties amounting to ₱6.93 million, rendering the account balances unreliable; and <ul style="list-style-type: none"> Balances and information reported in the consolidated FSs were unreliable due to: a) inaccurate reporting of Surplus/(Deficit) and Cash and Cash Equivalents for CY 2019; b) abnormal balances of Petty Cash Fund and Due to Pag-IBIG accounts amounting to ₱(50.00) and ₱(663.00), respectively; c) erroneous reporting of accounts; and d) use of improper account titles.
3. Central Mindanao University (CMU)		✓			<ul style="list-style-type: none"> Existence, completeness and correctness of the balances of PPE totalling ₱984.14 million could not be ascertained due to unreconciled PPE ledger accounts against the submitted RPCPPE amounting to ₱296.71 million; Failure of the Supply and Property Management Unit and Accounting Unit to adhere to the proper monitoring, controlling and recording of acquisition and disposal of inventory, thus rendering the existence and accuracy of the reported balances of Inventory accounts totalling ₱70.08 million as of December 31, 2019 unreliable; and Accuracy of the Accounts Receivable balance of Fund Cluster 5 (Special Trust Fund) as of December 31, 2019 amounting to ₱58.86 million cannot be ascertained due to: a) unreconciled balances in some of the students accounts as reflected in the Schedule and Ledgers, contrary to Section 111 of PD No. 1445; and b) non-inclusion of students who still have unpaid balances but are inactive or unenrolled as of SY 2019-2020 1st semester in the balance of the receivable account, thus casting doubts on the accuracy of the said account and on the fairness of presentation of the FSs.
4. Mindanao State University-Iligan Institute of Technology (MSU-IIT)		✓			Reported balance of CIP account amounting to ₱605.08 million as of December 31, 2019 is inconsistent with Section 8(g) and Section 27(c), Chapter 10, GAM for NGAs, Volume I, thus impairing the accuracy and reliability of the FSs.
5. Mindanao State University-Naawan (MSU-Naawan)		✓			<ul style="list-style-type: none"> Reported balance of CIP account amounting to ₱79.39 million as of September 30, 2019 is inconsistent to Section 8(g) and Section 27(c), Chapter 10, GAM for NGAs, Volume I, thus impairing the accuracy and reliability of the FSs; and Reported balance of Other MOOE account amounting to ₱4.24 million as of October 31, 2019 is contrary to Section 5, Chapter 3, GAM, Volume III, thus impairing the accuracy and reliability of the FSs as of October 31, 2019.
6. Northwestern Mindanao State College of Science and Technology (NMSCST)		✓			<ul style="list-style-type: none"> Accounts Payable are carried in the Statement of Financial Position at ₱34.61 million. The College did not eliminate intra-agency transactions, thereby overstating Accounts Payable by ₱3.58 million; Semi-Expendable Asset accounts are overstated by ₱12.40 million due to the non-recording of these as expense for the period, thereby correspondingly understating Semi-Expendable Expenses account by the same amount; and Total expense balance is understated by ₱0.57 million due to the non-recording of expenses for the year as a result of the delayed submission of liquidation report.
7. University of Science and Technology of Southern Philippines (USTsP) (formerly		✓			Accuracy and reliability of PPE could not be established due to inclusion of semi-expendable items amounting to ₱6.19 million, thus overstating the PPE accounts and the related Accumulated Depreciation and understating the Accumulated Surplus/Deficit and Inventory accounts.

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
MUST and MOSCAT) - CDO Campus					
8. USTsP - Claveria Campus		✓			<ul style="list-style-type: none"> Validity and accuracy of PPE account with carrying amount of ₱202.81 million cannot be established due to (a) existence of abnormal net book value balances of some PPE accounts amounting to ₱1.83 million; (b) unreconciled balances reported by the Accounting and Supply Units totalling ₱0.66 million, and (c) non-recognition of Depreciation Expenses for Books and Furniture and Fixtures under General Fund, and Accumulated Depreciation for Buildings and Other Structures under Special Trust Fund, thus the existence, reliability and proper valuation of PPE accounts are doubtful; Biological Assets totalling ₱0.33 million were not updated at year-end and no physical count of biological assets was made, contrary to the provisions of PPSAS 27, thus the existence and validity of Biological Assets is doubtful; and Non-dropping of unserviceable properties found on station with total net book value of ₱1.47 million and failure to request disposal, contrary to paragraphs (c) and (d), Section 40, Chapter 10, GAM, Volume I, thus overstating the PPE accounts and understating the Expense account.
TOTAL	0	8	0	0	
REGION XI - DAVAO					
1. Compostela Valley State College (CVSC)		✓			Accuracy, completeness and existence of recorded assets in the FSs could not be relied upon due to uncorrected misclassification of completed Buildings and Other Structures recorded as CIP account amounting to ₱55.45 million; misstatements in Cash in Bank amounting to ₱0.10 million and Inventory accounts amounting to ₱1.38 million; unrecorded donated land amounting to ₱13.26 million; and the failure to maintain PPELCs.
2. Davao del Norte State College (DNSC)		✓			Uncorrected misclassification of completed Buildings and Other Structures recorded as CIP account amounting to ₱140.82 million and the failure of the agency to complete and render a report on the physical count of PPE in the FSs under Fund 164 amounting to ₱20.96 million, thus affecting the accuracy, completeness and existence of recorded assets in the financial statements.
3. Davao Integrated Development Program -Project Management Office		✓			<ul style="list-style-type: none"> Existence, completeness and accuracy of the reported year-end balances of PPE accounts totalling ₱13.28 million could not be ascertained due to inconsistencies/ variances in the total amount of ₱0.87 million between the balances per books and the RPCPPE; Rent Income was understated by ₱0.21 million in the books due to non-recording of income already earned but not yet collected for the conduct of Resistivity Survey; Rental fees of ₱26,400.00 were not collected due to inconsistent application of resistivity equipment rental rates; and Agency transactions totalling ₱0.16 million were paid even before the approval of the Executive Director, hence overstating/understating the cash/expense accounts.
4. Davao Oriental State College of Science and Technology (DOSCST)			✓		<ul style="list-style-type: none"> Non-recognition of cash in banks' reconciling items totalling to ₱1.90 million; Erroneous recording of collections resulted in a net overstatement of School Fees amounting to ₱37.63 million; Non-reclassification of PPE to Semi-Expendable Inventory/Expense by ₱0.16 million;

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					<ul style="list-style-type: none"> • Erroneous entries in the SLs of the Due to NGAs account, as well as the inaccuracies of the figures posted therein, including the unaccounted beginning balance of ₱49.31 million which has been long outstanding and non-moving; and • Existence of several errors, omissions, inconsistencies and insufficient disclosures in the year-end FSs, specifically the Statement of Cash Flows, Statement of Comparison of Budget and Actual Amount, and Notes to FSs.
5. Mindanao Development Authority (MinDA)		✓			<ul style="list-style-type: none"> • Partial submission of the RPCPPE and incomplete physical count of PPE, as well as the non-submission of the RPCI, which casted doubt on the existence, completeness and accuracy of the reported year-end balances of the PPE and Inventory accounts totalling ₱16.31 million and ₱3.58 million, respectively; and • Failure of Management to record in the agency books a heritage asset costing ₱0.40 million which resulted in the understatement of total assets by the same amount.
6. Southern Philippines Agribusiness and Marine and Aquatic School of Technology (SPAMAST)		✓			Due to the uncorrected misstatements amounting to ₱36.36 million involving the Cash in Bank, CIP, Accounts Receivable, Accounts Payable and Other Payables, the accuracy, completeness and existence of the balances of these accounts could not be relied upon.
7. University of Southeastern Philippines (USEP)		✓			Balance of Accounts Receivable of ₱70.94 million could not be relied upon due to the inaccurate computation of Allowance for Impairment amounting to ₱2.04 million which was based on an enrollment system that does not provide for the correct age of receivables on a per student basis; and the University was not able to fully comply with IPSAS 27-Agriculture as to the measurement and disclosure requirements of the Biological Assets totalling ₱3.05 million.
TOTAL	0	6	1	0	
REGION XII - SOCCSKSARGEN					
1. Cotabato City State Polytechnic College (CCSPC)		✓			<ul style="list-style-type: none"> • Cash in Bank - LCCA amounting to ₱100.99 million cannot be fully ascertained due to: a) unrecorded balance amounting to ₱36.53 million; b) non-preparation and submission of BRSS; and c) unrecorded Cash accounts in the amount of ₱5.58 million; and • PPE accounts with book value of ₱158.16 million cannot be relied upon due to failure to complete the physical count of properties; non-maintenance and non-reconciliation of property and accounting records amounting to ₱106.03 million; and computation of depreciation of PPE accounts has no valid and is not supported with a depreciation schedule.
2. Cotabato Foundation College of Science and Technology (CFCST), Droluman, North Cotabato		✓			Existence, accuracy and reliability of the PPE accounts totaling ₱100.18 million cannot be relied upon due to continuous failure of the Management to conduct a complete physical count and reconciliation of records.
3. Mindanao State University (MSU) – General Santos		✓			Accumulated Cash Advances amounting to ₱11.27 million remained unsettled, therefore exposing the funds to possible loss, misuse or misapplication, and existence of misstatement of related expenses and overstatement of the asset account in the Statement of Financial Position.
4. Sultan Kudarat State University (SKSU)		✓			<ul style="list-style-type: none"> • Doubtful balance of Cash on Hand amounting to ₱0.55 million due to unreconciled balances/records; • Inclusion of semi-expendables amounting to ₱1.39 million in the PPE accounts and unreconciled balance between accounting and property records amounting to ₱118.05 million;

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					<ul style="list-style-type: none"> • Inconsistent balance of accounts receivable amounting to ₱14.75 million; and • Unreliable balances of Inter-Agency and Intra-Agency Payables amounting to ₱23.02 million.
5. University of Southern Mindanao (USM), Kabacan		✓			<ul style="list-style-type: none"> • Existence, accuracy and reliability of the Inventory and PPE accounts totalling ₱10.72 million and ₱1.16 billion, respectively, as of December 31, 2019 cannot be relied upon due to continuous failure of the Management to conduct a complete physical count and reconciliation of records; • Stale Checks totalling ₱6.36 million remained outstanding and unadjusted in the books of accounts, resulting in understatement of Cash in Bank and other appropriate liability or equity accounts; and • Aging Schedules for Accounts Receivable amounting to ₱156.70 million were not submitted to the Audit Team, thus, casting doubt on the validity, reliability and verifiability of the stated balances in the FSs.
TOTAL	0	5	0	0	
REGION XIII - CARAGA REGION					
1. Agusan del Sur State College of Agriculture and Technology (ASSCAT)		✓			Existence and accuracy of the Semi-Expendable ICT Equipment account balance amounting to ₱19.50 million could not be relied upon due to: a) inclusion of various PPE items with cost above the capitalization threshold of ₱15,000.00 aggregating ₱17.14 million; and b) non-submission of the RSMT, resulting in unrecorded issuances of supplies and materials in the books totalling ₱2.05 million, thereby, overstating the Semi-Expandable ICT Equipment account while understating the related PPE, Depreciation Expense, and Semi-Expendable ICT Equipment Expense accounts.
2. Caraga State University (CSU)		✓			Balance of CIP - Buildings and Other Structures account of ₱297.23 million included four completed infrastructure projects totalling ₱59.66 million which were not reclassified to its appropriate PPE accounts; and PPELCs for the CIP - Buildings and Other Structures account were unreconciled with the records of the General Services Office, thus casting doubt on the correctness of the balance of the said CIP account, understating the related PPE and Depreciation Expense sub-accounts.
3. Surigao del Sur State University (SDSSU)		✓			<ul style="list-style-type: none"> • Receipts by the SDSSU- Tandag Main Campus of Unified Student Financial Assistance System for Tertiary Education funds aggregating ₱136.74 million, which were intended for the other SDSSU campuses were erroneously recorded as Income from Grants and Donations in the books of accounts, and the subsequent transfer of these funds to the current accounts of the other campuses were erroneously recorded as Donations and Scholarship Grants/Expenses, resulting in doubly-recognized income and expenses as the recipient SDSSU campuses likewise recorded these as School Fees and other income upon receipt in their books, and their utilization thereof were accordingly recorded as expenses, thereby rendering the income and the expenses accounts both overstated by ₱136.74 million; • CIP - Buildings and Other Structures balance of ₱118.86 million was erroneously reported in the FSs as the said amount represented the unpaid portion of the contract amounts of the infrastructure projects that were not yet incurred and are still to be billed by the contractors,

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					<p>resulting in an understatement of the said account by ₱32.24 million;</p> <ul style="list-style-type: none"> • Sixty-one unreleased commercial checks at year-end aggregating ₱2.09 million were not reverted back to the Cash in Bank- LCCA, resulting in the understatement of the Cash in Bank and Liability accounts; • Reported balances of Semi-Expendable Books and Semi-Expendable ICT Equipment of the SDSSU- Cagwait Campus amounting to ₱0.66 million and ₱13,900.00, respectively, representing semi-expendable properties that were already issued to the end-users were not recognized as expenses upon issue, hence overstating the affected inventory accounts and understating the affected semi-expendable expenses; • Annual insurance premiums for buildings, motor vehicles and student personal accident amounting to ₱0.69 million were erroneously treated as outright expenses upon payment and the unexpired portions thereof at year-end amounting to ₱0.48 million were not recognized, resulting in the overstatement of Insurance Expenses and understatement of Prepaid Insurance and the surplus for the period; • Neither was there any disclosure of facts and/or details in the Notes to FSs pertaining to, nor any evidence ascertaining the efforts of the Accounting Unit to verify, analyze and validate the existence of, the Due from NGAs account amounting to ₱0.44 million, which remained non-moving for over 11 years in the Agency's books; and • Prior year expenses for meals, hotel accommodation, and fuel totalling ₱0.13 million were recorded as current year expenses, resulting in the overstatement of the affected expenses accounts and understatement of the surplus for the current period.
4. Surigao State College of Technology (SSCT)		✓			<ul style="list-style-type: none"> • Buildings constructed in the SSCT - Del Carmen Campus with aggregate amount of ₱8.78 million were not recorded in the books which understated the asset account as reported; and • Accounts receivable arising from students' tuition and other school fees from Satellite Campuses in the amount of ₱20.71 million were not recognized in the books, thus understated the account by the same amount.
TOTAL	0	4	0	0	
REGION XVI - NEGROS ISLAND REGION					
1. Carlos Hilado Memorial State College (CHMSC)		✓			<ul style="list-style-type: none"> • RPCPPE was not yet submitted and PPELCs were not maintained, thus the accuracy of the PPE account balances amounting to ₱782.12 million at year-end cannot be ascertained; and • Due to the lenient enforcement of rules and regulations on cash advances, unliquidated travel cash advances amounting to ₱1.24 million remained unsettled at year-end, which may result to possible loss or misappropriation of government funds and the risk that the related accounts in the financial statements may not be fairly presented.
2. Central Philippines State University (CPSU)		✓			Existence and accuracy of recorded PPE amounting to ₱399.78 million at year-end which could not be ascertained due to the non-completion of the physical inventory count and the absence of adequate property and accounting records for fixed assets.
3. Negros Oriental State University (NORSU)		✓			<ul style="list-style-type: none"> • Unreliable balances of Inventory and PPE accounts amounting to ₱24.84 million and ₱848.81 million, respectively, as of December 31, 2019 as there was no

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					<p>official physical count of supplies and property for CY 2019 while the results of the CY 2018 and prior years' physical count were still not reconciled with accounting and property records;</p> <ul style="list-style-type: none"> Overstated Accounts Payable account at year-end by ₱65.25 million as transactions not pertaining to trade and business operations were recorded therein; Non-reversion to the Accumulated Surplus of Accounts Payable amounting to ₱22.71 million that have been outstanding for two years and some of which are also even undocumented; and Collections and deposits for CY 2019 totaling ₱21.78 million and ₱21.68 million, respectively, of the Siaton external campus were directly recorded to the Cash in Bank - LCCA instead of the Cash - Collecting Officers account, thus affecting the fairness of presentation of the University's consolidated FSs.
4. Northern Negros College State College of Science and Technology (NONESCOST)		✓			<ul style="list-style-type: none"> Results of the physical count on properties for CY 2019 were not reconciled with the Accounting and Property records, thus the total PPE accounts amounting to ₱443.70 million in the FSs as of December 31, 2019 may not be fairly presented; and Due to the lenient enforcement of rules and regulations on cash advances, unliquidated travel cash advances amounting to ₱1.15 million remained unsettled at year-end, which may result to possible loss or misappropriation of government funds and the risk that the related accounts in the FSs may not be fairly presented.
5. Siquijor State College (SSC)		✓			<ul style="list-style-type: none"> Existence and accuracy of recorded PPE amounting to ₱262.78 million at year-end could not be ascertained due to the non-completion of the physical inventory count and the absence of adequate property records for fixed assets in the Supply Office; and Accounts Payable year-end balance in the total amount ₱29.07 million was overstated by ₱13.93 million as transactions not pertaining to trade and business operations and undelivered items amounting to ₱1.08 million and ₱12.85 million, respectively, were recorded therein.
TOTAL	0	5	0	0	
BANGSAMORO AUTONOMOUS REGION IN MUSLIM MINDANAO					
1. Adiong Memorial Polytechnic State College		✓			<p>Cash in Bank - Local Currency Account as of December 31, 2019 amounting to ₱5.81 million is of doubtful validity due to non-preparation and non-submission of BRSs of all bank accounts from January to December 2019 which precluded the Audit Team to verify whether adjustments/corrections if any, were effected.</p>
2. Mindanao State University (MSU)- Main Campus and MSI		✓			<ul style="list-style-type: none"> Cash in Bank with a balance of ₱136.38 million as of December 31, 2019 is unreliable due to MSU LNC's non-reversion of unreleased checks back to the account at year-end in the amount of ₱1.28 million, thereby affecting the fairness of presentation of the affected accounts in the FSs; Accuracy, reliability, valuation and existence of the recorded balance of the PPE amounting to ₱1.73 billion as of December 31, 2019 were doubtful due to: a) MSU-LNAC's inclusion of unserviceable or obsolete properties with carrying value of ₱0.47 million; and b) MSU-MSAT's non-provision of depreciation expense to various depreciable assets with the total cost of ₱53.22 million; and Advances to SDO and Advances to Officers and Employees accounts amounting to ₱40.35 million and ₱15.22 million, respectively, or a total of ₱55.57 million

AGENCIES	AUDIT OPINIONS				REASONS FOR MODIFIED OPINION
	UM	Q	A	D	
					of MSU-Main Campus and MSU-MSAT remained unliquidated as at year-end which resulted in overstatement of Other Current Assets and understatement of related expenses.
3. Mindanao State University (MSU)-Maguindanao		✓			Uncertain accuracy of PPE balance totaling ₱135.25 million as Management partially submitted the physical count of the Agency's existing PPE, and RPCPPE.
4. Mindanao State University-Tawi-Tawi College of Technology and Oceanography (MSU-TCTO)		✓			<ul style="list-style-type: none"> • Laxity in the enforcement of collections of receivables and payment of liabilities resulted in the accumulation of uncollected balance of receivables and unpaid liabilities amounting to ₱13.62 million and ₱8.43 million, respectively, which remained dormant for a long period; and • Unserviceable/Obsolete properties with undetermined value were still included in the PPE account and were not reclassified under Other Assets account.
5. Sulu State College		✓			There was no Report of Inventory on PPE prepared/submitted to the Audit Team, leaving the balance of PPE account amounting to ₱192.04 million of doubtful validity.
6. Tawi-Tawi Regional Agricultural College (TRAC)	✓				
TOTAL	1	5	0	0	
GRAND TOTAL	92	197	15	1	
Percentage to Total (%)	30.16	64.59	4.92	0.33	

Legend:

UM - Unmodified
Q - Qualified

A - Adverse
D - Disclaimer

PART VII

**SIGNIFICANT AND
COMMON AUDIT
OBSERVATIONS AND
RECOMMENDATIONS**

PART VII - SIGNIFICANT AND COMMON AUDIT OBSERVATIONS AND RECOMMENDATIONS

7.1 Overview

Section 2, Article IX-D of the Philippine Constitution mandates the Commission on Audit (COA) to regularly conduct audit of accounts of all National Government Agencies (NGAs). The audit is conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs), with audit results discussed with concerned Agency officials and incorporated in the Annual Audit Reports (AARs) and Management Letters (MLs). The AAR or ML is transmitted to the concerned agency head, with the Office of the President, the Congress, Oversight Agencies and other stakeholders furnished a copy thereof.

7.2 Audit Opinions

The AAR sets forth the audit opinion on the entity's financial statements (FSs). Under International Standard on Auditing (ISA) 700, the auditor shall express an **unmodified opinion** when the auditor concludes that the financial statements are prepared, in all material respects, in accordance with the applicable financial reporting framework, which is the Philippine Public Sector Accounting Standards (PPSAS). If the auditor concludes that, based on the audit evidence obtained, the FSs as a whole are not free from material misstatement or is unable to obtain sufficient appropriate audit evidence to conclude that the FSs as a whole are free from material misstatement, the Auditor shall modify the opinion in the Auditor's report in accordance with ISA 705.

The ISA established three types of **Modified Opinions**, namely, a qualified opinion, an adverse opinion, and a disclaimer of opinion. The decision regarding which type of modified opinion is appropriate depends upon:

- a) The nature of the matter giving rise to the modification, that is, whether the financial statements are materially misstated or, in the case of inability to obtain sufficient appropriate audit evidence, may be materially, misstated; and
- b) The auditor's judgment about the pervasiveness of the effect or possible effect of the matter on financial statements.

The types of Modification to the Auditor's opinion is determined as follows:

- a) **Qualified Opinion** - Issued when: (a) the auditor, having obtained sufficient appropriate audit evidence, concludes that misstatements, individually or in the aggregate, are material, but not pervasive, to the financial statements; or (b) the auditor is unable to obtain sufficient appropriate audit evidence on which to base the opinion, but the auditor concludes that the possible effects on the FSs of undetected misstatements, if any, could be material but not pervasive.
- b) **Adverse Opinion** - Issued when the auditor, having obtained sufficient appropriate audit evidence, concludes that misstatements, individually or in the aggregate, are both material and pervasive to the FSs.

- c) **Disclaimer of Opinion** - Issued when the auditor is unable to obtain sufficient appropriate audit evidence on which to base the opinion, and the auditor concludes that the possible effects on the FSs of undetected misstatements, if any, could be both material and pervasive or in extremely rare circumstances involving multiple uncertainties, the auditor concludes that, notwithstanding having obtained sufficient appropriate audit evidence regarding each of the individual uncertainties, it is not possible to form an opinion on the FSs due to the potential interaction of the uncertainties and their possible cumulative effect on the FSs.

7.3 Results of Audit

The audit opinions issued on CY 2019 FSs and operations of 301 NGAs, and State Universities and Colleges (SUCs) and Stand - Alone Agencies (SAAs) are broken down as follows:

Type of Opinion	No. of NGAs	No. of SUCs/SAAs	Total	%
Unmodified	83	9	92	30.16
Qualified	93	104	197	64.59
Adverse	12	3	15	4.92
Disclaimer	0	1	1	0.33
Total Opinions Issued	188	117	305	100.00

MLs were issued to agencies that failed to submit on time their FSs for audit as required under Section IV.B.3 of COA Memorandum No. 2014-011 dated October 21, 2014. These MLs were considered issued in lieu of the AAR and posted in the COA website.

The 92 agencies issued with an *unmodified or clean audit opinion* follow:

1. Bureau of Broadcast Services (BBS)
2. Bureau of Communication Services (BCS)
3. Climate Change Commission (CCC)
4. Commission on Filipino Language (CFL)
5. Commission on Filipino Overseas (CFO)
6. Film Development Council of the Philippines (FDCP)
7. Games and Amusements Board (GAB)
8. Governance Commission for GOCCs (GCG)
9. Housing and Land Use Regulatory Board (HLURB)
10. Housing and Urban Development Coordinating Council (HUDCC)
11. National Anti-Poverty Commission (NAPC)
12. National Archives of the Philippines (NAP)
13. National Commission on Indigenous People (NCIP)
14. National Historical Commission of the Philippines (NHCP)
15. National Library of the Philippines (NLP)
16. National Youth Commission (NYC)
17. News and Information Bureau (NIB)
18. Office of the President (OP)
19. Office of the Vice-President (OVP)
20. Optical Media Board (OMB)

21. Philippine Commission on Women (PCW)
22. Philippine Competition Commission (PCC)
23. Presidential Broadcast Staff - RTVM (PBS-RTVM)
24. Presidential Commission on Urban Poor (PCUP)
25. Presidential Legislative Liaison Office (PLLO)
26. Presidential Management Staff (PMS)
27. Technical Cooperation Council of the Philippines (TCCP)
28. Central Board Assessment Appeals (CBAA)
29. Insurance Commission (IC)
30. National and Economic and Development Authority (NEDA)
31. National Tax Research Center (NTRC)
32. Philippine Statistics Authority (PSA)
33. Philippine Statistical Research and Training Institute (PSRTI)
34. Public-Private Partnership Center of the Philippines (PPPCP)
35. Securities and Exchange Commission (SEC)
36. Tariff Commission (TC)
37. Career Executive Service Board (CESB)
38. Commission on Appointments (CA)
39. Commission on Human Rights (CHR)
40. Court of Tax Appeals (CTA)
41. House of Representatives (HOR)
42. House of Representatives Electoral Tribunal (HRET)
43. Senate of the Philippines
44. Senate Electoral Tribunal (SET)
45. Local Government Academy (LGA)
46. Bureau of Jail Management and Penology (BJMP)
47. Philippine National Police (PNP)
48. National Defense College of the Philippines (NDCP)
49. Office of the Civil Defense (OCD)
50. Veterans Memorial Medical Center (VMMC)
51. Armed Forces of the Philippines - General Headquarters (AFP-GHQ)
52. AFP-Commissary and Exchange Service (AFPCES)
53. Philippine Air Force (PAF)
54. Philippine Navy (PN)
55. Bureau of Immigration (BI)
56. Public Attorney's Office (PAO)
57. Office of the Solicitor General (OSG)
58. Presidential Commission on Good Government (PCGG)
59. Department of Labor and Employment (DOLE)
60. National Conciliation and Mediation Board (NCMB)
61. National Wages and Productivity Commission (NWPC)
62. National Council for Children's Television (NCCT)
63. National Book Development Board (NBDB)
64. Bureau of Workers with Special Concerns - Social Amelioration Program (BWSC-SAP)
65. Institute for Labor Studies (ILS)
66. Industrial Technology Development Institute (ITDI)
67. Philippine Textile Research Institute (PTRI)
68. Science and Technology Information Institute (STII)
69. Metropolitan Manila Development Authority (MMDA)

70. Civil Aeronautics Board (CAB)
71. Toll Regulatory Board (TRB)
72. Office for Transportation Security (OTS)
73. Office of Transportation Cooperatives (OTC)
74. Department of Tourism (DOT)
75. National Parks and Development Committee (NPDC)
76. Intramuros Administration (IA)
77. Department of Energy (DOE)
78. Energy Regulatory Commission (ERC)
79. National Water Resources Board (NWRB)
80. Philippine Trade Training Center (PTTC)
81. Intellectual Property Office of the Philippines (IPOPHL)
82. Design Center of the Philippines (DCP)
83. Board of Investment (BOI)
84. Pangasinan State University (PSU)
85. North Luzon Philippine State College (NLPSC)
86. Mariano Marcos State University (MMSU)
87. Bulacan Agricultural State College (BASC)
88. Don Honorio Ventura Technological State University (DHVTSU)
89. Tarlac State University (TSU)
90. Tarlac Agricultural University (TAU)
91. Marinduque State College (MSC)
92. Tawi-Tawi Regional Agricultural College (TRAC)

The 197 agencies issued with *qualified opinion* follow:

1. Cooperative Development Authority (CDA)
2. Dangerous Drugs Board (DDB)
3. Foreign Service Institute (FSI)
4. Movie and Television Review and Classification Board (MTRCB)
5. National Commission on Culture and the Arts (NCCA)
6. National Commission on Muslim Filipinos (NCMF)
7. Office of the Presidential Adviser on the Peace Process (OPAPP)
8. Philippine Information Agency (PIA)
9. Philippine Drug Enforcement Agency (PDEA)
10. Philippine Racing Commission (PhilRaCom)
11. Presidential Communications Operations Office (PCOO)
12. UNESCO National Commission of the Philippines (UNACOM)
13. Anti-Money Laundering Council (AMLC)
14. Bureau of Local Government Finance (BLGF)
15. Bureau of the Treasury (BTr) - Proper
16. Communication on Population and Development (CPD)
17. Department of Budget and Management (DBM)
18. Department of Finance (DOF)
19. Government Procurement Policy Board -Technical Support Office (GPPB - TSO)
20. Legislative-Executive Development Advisory Council (LEDAC)
21. Municipal Development Fund Office (MDFO)
22. Philippine National Volunteer Service Coordinating Agency (PNVSCA)
23. Privatization Management Office (PMO)

24. Procurement Service (PS)
25. Commission on Audit (COA)
26. Presidential Electoral Tribunal (PET)
27. Office of the Ombudsman
28. Sandiganbayan
29. Department of the Interior and Local Government (DILG)
30. National Police Commission (NAPOLCOM)
31. Bureau of Fire Protection (BFP)
32. Philippine Public Safety College (PPSC)
33. Department of National Defense (DND)
34. Philippine Veterans Affairs Office (PVAO)
35. Philippine Army (PA)
36. Department of Justice (DOJ)
37. National Bureau of Investigation (NBI)
38. Bureau of Corrections (BuCor)
39. Parole and Probation Administration (PPA)
40. Land Registration Authority (LRA)
41. Office of the Government Corporate Counsel (OGCC)
42. Department of Education (DepEd)
43. Commission on Higher Education (CHED)
44. Philippine Normal University (PNU)
45. Technological University of the Philippines (TUP) System
46. Polytechnic University of the Philippines (PUP)
47. Marikina Polytechnic College (MPC)
48. Philippine State College of Aeronautics (PhilSCA)
49. Eulogio “Amang” Rodriguez Institute of Science and Technology (EARIST)
50. Technical Education and Skills Development Authority (TESDA)
51. National Labor Relations Commission (NLRC)
52. Early Childhood Care and Development Council (ECCDC)
53. National Museum (NM)
54. Philippine Overseas Employment Administration (POEA)
55. Overseas Workers Welfare Administration (OWWA)
56. Professional Regulation Commission (PRC)
57. Department of Social Welfare and Development (DSWD)
58. Council for the Welfare of Children (CWC)
59. Inter-Country Adoption Board (ICAB)
60. National Council on Disability Affairs (NCDA)
61. Juvenile Justice and Welfare Council (JJWC)
62. Department of Science and Technology (DOST)
63. Advanced Science and Technology Institute (ASTI)
64. Food and Nutrition Research Institute (FNRI)
65. Metal Industry Research Development Center (MIRDC)
66. National Academy of Science and Technology (NAST)
67. National Research Council of the Philippines (NRCP)
68. Philippine Council For Health Research and Development (PCHRD)
69. Philippine Council for Industry and Energy and Emerging Research Development (PCIEERD)
70. Philippine Institute of Volcanology and Seismology (PHIVOLCS)
71. Philippine Nuclear Research Institute (PNRI)
72. Philippine Science High School System (PSHSS)

73. Science Education Institute (SEI)
74. Technology Application Promotion Institute (TAPI)
75. National Nutrition Council (NNC)
76. National Privacy Commission (NPC)
77. National Telecommunications Commission (NTC)
78. Motor Vehicle Users' Charge Fund (MVUC)
79. Department of Transportation (DOTr)
80. Maritime Industry Authority (MARINA)
81. Department of Agriculture (DA)
82. Bureau of Fisheries and Aquatic Resources (BFAR)
83. Department of Environment and Natural Resources (DENR)
84. Mines and Geoscience Bureau (MGB)
85. Agricultural Credit Policy Council (ACPC)
86. Philippine Council for Agriculture and Fisheries (PCAF)
87. National Meat Inspection Service (NMIS)
88. Fertilizer and Pesticide Authority (FPA)
89. National Mapping and Resource Information Authority (NAMRIA)
90. Philippine Fiber Industry Development Authority (PhilFIDA)
91. Department of Trade and Industry (DTI)
92. Construction Industry Authority of the Philippines (CIAP)
93. Abra State Institute of Sciences and Technology (ASIST)
94. Apayao State College (ASC)
95. Benguet State University (BSU)
96. Ifugao State University (IFSU)
97. Kalinga State University (KSU)
98. Mountain Province State Polytechnic College (MPSPC)
99. Don Mariano Marcos Memorial State University (DMMMSU)
100. University of Northern Philippines (UNP)-Vigan, Ilocos Sur
101. Ilocos Sur Polytechnic State Colleges (ISPSC)
102. Batanes State College (BSC)
103. Cagayan State University (CSU)
104. Isabela State University (ISU)
105. Nueva Vizcaya State University (NVSU)
106. Quirino State University (QSU)
107. Aurora State College of Technology (ASCoT)
108. Bataan Peninsula State University
109. Bulacan State University (BulSU)
110. Central Luzon State University (CLSU)
111. Nueva Ecija University of Science and Technology (NEUST)
112. Pampanga State Agricultural University (PSAU)
113. Philippine Merchant Marine Academy (PMMA)
114. President Ramon Magsaysay Technological University (PRMTU)
115. Government Arsenal (GA, DND)
116. Philippine Carabao Center (PCC)
117. Philippine Center for Postharvest Development and Mechanization (Philmech)
118. Batangas State University (BatStateU)
119. Cavite State University (CvSU)
120. Laguna State Polytechnic University (LSPU)
121. Southern Luzon State University (SLSU), Quezon Province

122. University of Rizal System (URS), Morong
123. Philippine High School for the Arts (PHSA)
124. Philippine Council for Agriculture, Aquatic and Natural Resources Research and Development (PCAARRD)
125. Forest Products Research and Development Institute (FPRDI)
126. Mindoro State College of Agriculture and Technology (MinSCAT)
127. Occidental Mindoro State College (OMSC)
128. Palawan State University (PSU)
129. Romblon State University (RSU)
130. Western Philippine University (WPU)
131. Palawan Council for Sustainable Development Staff (PCSDS)
132. Bicol University (BU)
133. Bicol State College of Applied Science and Technology (BISCAST)
134. Camarines Norte State College (CNSC)
135. Camarines Sur Polytechnic College (CSPC)
136. Catanduanes State University (CSU)
137. Central Bicol State University of Agriculture (CBSUA)
138. Don Emilio B. Espinosa Memorial State College of Agriculture and Technology (DEBESMSCAT)
139. Partido State University (PSU)
140. Sorsogon State College (SSC)
141. Aklan State University (ASU)
142. University of Antique (UA)
143. Capiz State University (CPSU)
144. West Visayas State University (WVSU)
145. Iloilo Science and Technology University (ISAT-U)
146. Guimaras State College (GSC)
147. Iloilo State College of Fisheries (ISCOF)
148. Northern Iloilo Polytechnic State College (NIPSC)
149. Cebu Normal University (CNU)
150. Cebu Technological University (CTU)
151. Bohol Island State University (BISU)
152. Biliran Province State University (BiPSU)
153. Leyte Normal University (LNU)
154. Palompon Institute of Technology (PIT)
155. National Maritime Polytechnic (NMP)
156. Visayas State University (VSU)
157. Southern Leyte State University (SLSU)
158. Northwest Samar State University (NwSSU)
159. Samar State University (SSU)
160. Eastern Samar State University (ESSU)
161. University of Eastern Philippines (UEP).
162. Western Mindanao State University (WMSU)
163. Zamboanga City State Polytechnic College (ZCSPC)
164. Zamboanga State College of Marine Science and Technology (ZSCMST)
165. University of Science and Technology of Southern Philippines (USTsP) (formerly MUST and MOSCAT) - CDO Campus
166. USTsP - Claveria Campus
167. Camiguin Polytechnic State College (CPSC)
168. Bukidnon State University (BukSU)

169. Central Mindanao University (CMU)
170. Mindanao State University-Iligan Institute of Technology (MSU-IIT)
171. Mindanao State University-Naawan (MSU-Naawan)
172. Northwestern Mindanao State College of Science and Technology (NMSCST)
173. Compostela Valley State College (CVSC)
174. Davao del Norte State College (DNSC)
175. Southern Philippines Agribusiness and Marine and Aquatic School of Technology (SPAMAST)
176. University of Southeastern Philippines (USEP)
177. Mindanao Development Authority (MinDA)
178. Davao Integrated Development Program-Project Management Office
179. Cotabato City State Polytechnic College (CCSPC)
180. Sultan Kudarat State University (SKSU)
181. University of Southern Mindanao (USM), Kabacan
182. Cotabato Foundation College of Science and Technology (CFCST), Doroluman, North Cotabato
183. Mindanao State University (MSU) – General Santos
184. Agusan del Sur State College of Agriculture and Technology (ASSCAT)
185. Caraga State University (CSU)
186. Surigao State College of Technology (SSCT)
187. Surigao del Sur State University (SDSSU)
188. Central Philippines State University (CPSU)
189. Carlos Hilado Memorial State College (CHMSC)
190. Negros Oriental State University (NORSU)
191. Northern Negros College State College of Science and Technology (NONESCOST)
192. Siquijor State College (SSC)
193. Mindanao State University (MSU) Main Campus and MSI
194. Adiong Memorial Polytechnic State College
195. Mindanao State University-Tawi-Tawi College of Technology and Oceanography (MSU-TCTO)
196. Sulu State College
197. Mindanao State University (MSU) - Maguindanao

On the other hand, the following 15 agencies were issued with an *adverse opinion*:

1. Department of Foreign Affairs (DFA)
2. National Printing Office (NPO)
3. Bureau of Customs (BOC)
4. Bureau of Internal Revenue (BIR)
5. Bureau of the Treasury – National Government (BTr-NG)
6. Commission on Elections (COMELEC)
7. Supreme Court of the Philippines (SCP)
8. Department of Health (DOH)
9. Department of Public Works and Highways (DPWH)
10. Philippine Coast Guard (PCG)
11. Department of Agrarian Reform (DAR)
12. Environmental Management Bureau (EMB)
13. Eastern Visayas State University (EVSU)

14. University of Eastern Philippines (UEP)
15. Davao Oriental State College of Science and Technology (DOSCST)

The bases for the Auditor's qualified and adverse opinion, among others, are the following:

- a) *unreliable Cash and Cash Equivalents* account balances due to various accounting errors and omissions resulting in significant misstatements, in view of, among others, unrecorded or delayed recording of collections and deposits, and erroneous recording of collections; unreconciled variance between book and bank balances and non-recognition of reconciling items requiring adjustments/corrections; unsupported book adjustments; unrecorded dormant bank accounts or closure of various dormant bank accounts with net debit balance and insufficient supporting documents; non-reversion or closing of the balance of lapsed NCAs; absence of BRSs in some bank accounts; non-restoration of stale checks to cash; existence of abnormal or negative balances; inclusion of SL captioned "For Reconciliation"; and other lapses in accounting cash transactions. In BTr-NG, the closing of Cash - Treasury/Agency Deposit-Special Account to Accumulated Surplus/ (Deficit), erroneous recognition of BIR and BOC VAT Refund and the erroneous recognition of disbursements/releases resulted in the substantial misstatements of the Cash-Treasury/Agency Deposit- Special Account and Cash - Treasury/Agency Deposit-Trust, Subsidy to NGAs and Accumulated Surplus/(Deficit);
- b) *inaccurate* balances of *Receivable* accounts, particularly the *Due from NGAs/GOCCs, Accounts Receivable, Other Receivables* and *Inter-Agency Receivables* on account of, among others, non-accrual of receivables; misclassification of accounts and other transactions; unrecorded billings and unrecorded deliveries/receipt of airline tickets and refunds made by PS-DBM; non-provision of allowance for impairment; significant variance between the records of the PS-DBM and the agency; unliquidated funds transferred to various Implementing Agencies inspite of completion of intended purposes; over/non-recording of liquidation reports; unadjusted negative balances; unsupported adjustments; existence of dormant balances; absence of subsidiary records; and other errors and omissions in recording Receivable accounts;
- c) *unreliable Inventory/Property, Plant, and Equipment (PPE)* balances given the unrecorded assets/purchases/donations/transfers and issuances of supplies and materials or fully depreciated/lost/disposed/traded-in PPE; non-derecognition of damaged and disposed inventory items; unsupported adjustments; non-submission of the required reports; non-maintenance of PPELCs; existence of Subsidiary Ledgers (SLs) captioned as "For Reconciliation", existence of abnormal/negative subsidiary balances; non-provision of *Impairment Loss/Depreciation Expenses*; erroneous classification of semi-expendable properties under PPE; recognition of assets not yet delivered or inclusion of completed projects under the *Construction-in-Progress (CIP)* accounts; and other errors and omissions in recording Inventory/PPE accounts;

- d) *inaccurate Other Assets* balances in view of unrecognized other assets, errors in recording transactions under *Advances* accounts; non-liquidation of cash advances to officers and employees; inclusion of negative and dormant account balances; unreconciled balances between the General Ledger and schedules; and other deficiencies in recording liquidations and expenses;
- e) *unreliable Accounts Payable* and *Other Payables* balances due to unrecorded and unsupported payables; existence of negative SL balances and “For Reconciliation”; non-reversion of long outstanding and undocumented payables aged two years and above, accounts with abnormal/ negative balances; and other errors and omissions in recording payables and liquidation of transferred funds;
- f) errors/misclassification and omissions such as recording of prior years’ expenses as current year’s expenses, unrecognized income and expenses, and in recognizing expenses and income particularly *Tax Revenue*, *Service Income*, *Rental/Lease Income*, *Rental Expenses*, *Training Expenses* and various compensation expenses for overtime, Contract of Service (COS), and consultancy which affected the accuracy of the balances of the accounts and related income and expense accounts;
- g) unreliable Accumulated Surplus/(Deficit)/Equity accounts due to errors in recording or non-recording of financial transactions;
- h) CYs 2018 and 2019 figures not restated to reflect prior-year errors and adjustments; and
- i) other errors/omissions/deficiencies in recording transactions and classification of accounts resulting in misstatements of various accounts and affecting the fair presentation of the year-end balances in the FSs.

The Auditor issued a *disclaimer of audit opinion* on Basilan State College (BSC) mainly due to undeposited prior years’ collections under Fund 164; unascertained correctness, existence, valuation and regularity of the Inventory and PPE accounts due to non-conduct of physical inventory taking and incomplete, un-updated and unreconciled GL and subsidiary records; unreliable Cash in Bank - LCCA, on account of non-submission of the required financial statements/reports, supporting schedules and documents, and other pertinent requirements covering CY 2019 transactions.

7.4 Significant Audit Observations and Recommendations

The significant audit observations and recommendations on the audit of NGAs, submitted by auditors of the National Government Sector (NGS) and Regional Offices (ROs) of this Commission, which are discussed in detail in their respective CAARs/AARs/MLs are summarized and presented below.

- 1. The implementation of various programs/projects by 36 agencies and SUCs amounting to ₱47.99 billion needs improvement to ensure that the benefits are maximized and enjoyed by the intended beneficiaries on time or the objectives**

attained. The delivery of services was attended with deficiencies which included, among others, late downloading of funds, weak project monitoring, non-compliance with rules, delayed liquidation of cash advances, delayed procurement process, failed biddings, failure of BAC to thoroughly evaluate bids and inequitable fund allocation.

No.	Agency	Program/ Project	Amount (In Million ₱)	Condition
1	AMLC	Anti-Money Laundering Programs; Anti-Money Laundering/ Combating the Financing of Terrorism (AML/CFT)	Not stated	Incompletely accomplished targets on Prosecution and Training Activities embodied in the Anti-Money Laundering Program with only 25 cases filed favorably decided by the courts, which registered 17 percent below its target. For AML/CFT trainings, only 16 out of 20 lectures was conducted which was short by 20 percent due to insufficient fund given in the re-enacted budget and it was during the same period when the AMLC started accreditation of third party providers for the AML/CFT. For the 2nd and 4th quarters, the AMLC focused on workshops/ outreach to higher risk sectors as identified in their evaluation.
2	BFP	Scholarship assistance	16.82	The policies and guidelines in the selection of grantees/ scholars and the granting of benefits under DILG Memorandum No. 95-63 and BFP Memorandum Circular No. 2001-008 on the implementation of Scholarship Program were inconsistent with the provisions of Section 8 of RA No. 6963 dated September 4, 1990 resulting in unutilized scholarship fund amounting to ₱13.37 million from CYs 2017 to 2019 and inappropriate grant of scholarship allowances and other privileges amounting to ₱3.45 million for the period covering January 1, 2017 to December 31, 2019.
3	BTr	Improvement of BTr Building Management Systems Monitoring for the Ayuntamiento/ Procurement of Technical Upgrade of the BTr Existing Oracle Database/ Procurement of support and maintenance of the BTr IT Systems/ Oracle Licenses	78.96	These projects were cancelled and that the balance of the first two contracts are subject to a request for refund, while the funds for the last two projects will be realigned to other IT projects.

No.	Agency	Program/ Project	Amount (In Million ₱)	Condition
		Support of the BTr Existing Oracle Database		
4	CFL	Aklat ng Bayan (AnB)	4.45	Low physical accomplishment rate of 44.44 percent against the high fund utilization rate of 96.73 percent of the AnB Publication with only 20 out of 45 Titles of books published due to inadequate planning and lack of monitoring mechanism.
5	CHED, CO, NCR, R1, R3, R4A, R4B, R6, R10 & R13	Tertiary Education System (TES)	806.70	Procedural deficiencies such as: inclusion of 2,339 TES grantees with grants amounting to ₱96.37 million not included in the official Masterlist of Listahanan 2.0 Qualifiers; double entries of 1,263 beneficiaries' names in the List of TES Beneficiaries under Listahanan 2.0 with grants totaling ₱52.03 million; unliquidated fund transfers of ₱658.30 million.
		CHED Scholarship Programs (CSPs) and Tulong Dunong Program (TDP)	99.22	Late issuance of the implementing guidelines resulted in delay of the release of funds affecting the timely utilization and reversion of the funds amounting to ₱19.90 million or 13.89 percent of the total funds received in CHED RO NCR; and financial benefits for 15,280 existing or ongoing student-grantees and 10,956 grantees amounting to ₱11.10 million and ₱68.22 million under the TDP in CHEDRO NCR and CHEDRO I, respectively, remained unpaid as of December 31, 2019 since funds for the program were not yet released, thus depriving the qualified and deserving student-scholars/grantees of the financial assistance needed to pursue their education.
		Study Now Pay Later Plan (SNPLP) and Student Assistance Fund for Education (SAFE) Loan Programs	201.06	Weak monitoring of the implementation of the programs in NCR and Regions I, II, XI and XIII. resulted in: a) minimal collection rate of only 1.39 percent or ₱2.33 million out of the total amount due and demandable of ₱167.34 million; b) non-submission of the required semestral reports and utilization reports for the transferred funds of ₱31.94 million to participating Higher Education Institutions (HEIs) for the SAFE Loan Program; c) discrepancy of ₱1.78 million between the total amount of SAFE Loan funds of ₱33.18 million released to HEIs per report of the StuFAPs Unit and the actual funds released of ₱31.40 million; and d) some loan provisions and responsibilities were not properly addressed by both the Agency and the HEIs, as stipulated in the CMOs.

No.	Agency	Program/ Project	Amount (In Million ₱)	Condition
6	DepEd	Basic Education facilities Fund (BEFF)- School Furniture Program (SFP)	2,689.60	The objective of addressing furniture shortage through the SFP under the FY 2016 to FY 2019 BEFF was not fully met as manifested by low accomplishment rate of only 16.68 percent for the FY 2019 Fund and delayed completion of the program from FYs 2016 to 2018 Funds. This may be attributed to late release of Sub-AROs to ROs and late initiation and delayed execution of procurement/ bidding process and failure to complete the delivery of school furniture within the prescribed period, affecting the timely achievement of its implementation. Other deficiencies noted in the implementation of program include, among others, the failure to conduct Pre- and Post-Delivery Inspection of Delivered School Furniture; non-utilization of delivered school furniture, and delivery of inferior quality school furniture to recipient schools which deprives the students and teachers of using these items to enhance and improve the learning environment and facilities of the school for better learning outcomes.
		Textbook and Other Instructional Materials Program	3,793.02	Overall Accomplishment Rate of 46.98 percent in the procurement of Manuscripts and the Textbooks/ Learning Materials for CY 2019 was below par. In addition, reports on buffer stocks were unreliable due to variances/errors.
		School-Based Feeding Program (SBFP)	3,967.47	Implementation of SBFP for SY 2019-2020 in five ROs were not in accordance with DepEd Order Nos. 39 and 18 dated August 17, 2017 and July 23, 2019, respectively, as manifested by delayed implementation of the Program, non-completion of 120-feeding days, improper implementation of the double feeding scheme, non-observance of the required composition of the SBFP Core Group; absence/non-updating of health certification for food handlers and sanitary permits of school canteen, among others, that impeded the successful implementation of the program.
		Science and Mathematics Equipment (SME)	3,815.26	The provisions of the SMEs intended for public schools were not fully achieved when the program registered a low budget and disbursement utilization rates of only 41.91 percent and 8.26 percent, respectively, from its allocated funds and at the same time reflected a low accomplishment rate of only 60.96 percent where 27,605 out of 45,286

No.	Agency	Program/ Project	Amount (In Million ₱)	Condition
				physical targets has been delivered from its FYs 2015 to 2019 allocations.
		Learning Tools and Equipment – Technical Vocational Equipment (LTE-TVE) Program	3,125.34	Maximum benefits from the implementation of the LTE-TVE Program were not realized as the program registered a low budget and disbursement utilization rates of only 23.60 percent and 48.33 percent, respectively from its allocated funds, and at the same time reflected a low accomplishment rate of only 10.80 percent, where only 5,720 out of the 52,977 physical targets has been delivered from its FYs 2016 to 2019 allocations.
7	DILG, R7	Bohol Earthquake Assistance (BEA) Project	2,411.20	After five years of implementation of BEA Projects, out of 1,074 sub-projects, only 1,058 were completed while 16 are still on-going, contrary to the provisions of DILG Memorandum Circular No. 68 dated June 3, 2014. Moreover, the amount of ₱579.61 million or 24 percent of ₱2.41 billion remained unliquidated as at year-end.
		Interim Shelter Fund	368.64	Failure to validate and endorse the 26,367 beneficiaries of the Interim Shelter Fund resulting in delayed distribution of financial assistance.
8	DOE	Household Electrification Project (HEP) 2017 and HEP 2016	294.93	Delayed implementation of household electrification for 23,518 beneficiaries due to: inability of BAC-TWG to detect the bidders inaccurate disclosures, in its “statement of all ongoing government and private contracts, including awarded but not yet started”; and delay and overlapping projects was not thoroughly evaluated during post-qualification prior to award of contracts.
		Total Electrification Program (TEP) involving 450,000 HH	500.00	No clear and concrete guidelines for the implementation of the TEP that provides detailed guidance on program strategies, operational activities, implementing processes, reporting requirements, monitoring and evaluation mechanisms, and responsibilities of key stakeholders that would enhance the achievements of the program outputs and outcomes.
		Nationwide Intensification Household Electrification (NIHE) Program	585.69	Program’s total target of 344,090 households (HHs) for electrification committed by the 78 Distribution Utilities (DUs) was not achieved as of December 31, 2019 as only 182,978 HHs were provided electrification denying the remaining HHs of accessible electricity. It was noted that 35 DUs with target of 156,185 HHs for electrification has zero accomplishment despite the release of ₱585.69 million for electrification.

No.	Agency	Program/ Project	Amount (In Million ₱)	Condition
9	DOH, CO and Hospitals	Integrated Hospital Operation and Management Information System (iHOMIS)	89.11	Low rate of 27 percent in the installation and utilization of the developed and accepted iHOMIS of the DOH resulted in the incurrence of additional expenditures of ₱89.12 million for the employment of vendor-supplied Electronic Medical Records systems due to the absence of policy enforcing the mandatory application of the iHOMIS to all government hospitals.
		Utilization of the 25 percent Hospital income	504.88	Utilization of the 25 percent allowed limit for use of hospital income amounting to ₱504.88 million by nine DOH Hospitals and Treatment and Rehabilitation Centers (TRCs) for the procurement of equipment and upgrading of hospital facilities was not maximized, with only 21.34 percent or ₱107.76 million utilized.
10	DSWD, R2, R5, R6, R7, R8, R9 and R13	Kapit Bisig Laban sa Kahirapan- Comprehensive and Integrated Delivery of Social Services (Kalahi-CIDSS) - Social Pension or Indigent Senior Citizen	796.65	Delayed payment of stipend to indigents due to delayed liquidation of cash advances.
			7.17	Cash intact, kept/deposited in unsafe room at the RO for about 2 to 3 months.
		Sustainable Livelihood Program - Skills Training	32.12	Overly delayed/slow implementation resulting in unutilized cash advances.
			305.70	
			83.62	Of the budgeted and approved SLPs for CY 2019 of ₱83.62 million, only ₱45.75 million were utilized. Moreover, while 96.42 percent of the fund utilized was released to the beneficiaries, the program has zero accomplishment.
		Supplemental Feeding Program (SFP)	12.28	Savings not immediately allocated to 9 municipalities not yet served in the implementation of the 9th cycle of the SFP.
		Risk and Resilience Program on Climate Change Adaptation and Mitigation and Disaster Risk Resilience Program (RRP- CCAM-DRRP)	121.96	Inequitable fund allocation to Dinagat Island, the third potential Province in CARAGA region susceptible to multiple climate hazard and poverty incidence, with only ₱14.04 million or 12 percent of the total budget, defeated the purpose of addressing the adverse impact of climate change.
		RRP-CCAM	34.44	Projects implemented not in accordance with DSWD Admin Order No. 15, series of 2018.
		Sustainable Livelihood	5.86	Deficiencies in implementation due to inadequate project monitoring and non-compliance with the SLP guidelines.

No.	Agency	Program/ Project	Amount (In Million ₱)	Condition
		Projects/13 SLPs		
		Sustainable Livelihood Projects/ Transport seed money	2.17	Project implemented before the approval of the project resulting in incurrence of assessment related expenses and release of fund for transportation services which was non-compliant with the requirements of the LTFRB and DOTr.
		Assistance to Communities in Need (ACN)	72.30	Delayed project implementation by as long as two years affected the delivery of poverty reduction project to vulnerable communities. Of the 92 ACN program for CYs 2015 to 2018, 68 or 74 percent were completed; 18 projects still on-going while 6 projects or 6 percent were not yet implemented.
11	FDCP	Film Showing for CY 2019	Not stated	Low turnout of audience/ viewer for film screenings to Cinematheques. Per Cinematheques Iloilo and Davao, only 43.57 and 30.71 percent was accomplished, respectively. Total paid screenings was only 290 representing 69 per cent of the overall target of 420 due, among others, to inadequate information campaign defeating the purpose of Cinematheques as an alternative and accessible film venues around the country.
12	FSI	Enhanced and Expanded Foreign Language Programs (EEFLP)	20.00	Only 30 out of 40 target number of training programs was attained during the year due to late approval of the Congress-introduced increase in appropriations and new budgetary items as a funding source for the EEFLP which resulted in delays in the dissemination of available Foreign Language Scholarship Programs to participants, thereby affecting program schedules which had to be moved to a later date.
13	GCG	Development of the new Compensation and Position Classification System (CPCS)	56.50	Accomplishment of only 30 per cent of the 80 percent in target development of new CPCS due to delay in the award for the consultancy contract; failure of bidding due to noncompliance of prospective bidders with the requirements of RA No. 9184.
14	HLURB, SLRFO	Adjudication of cases	Not stated	Only 33 percent out of the Agency's 46 percent target adjudication of Real Estate Monitoring (REM) and Home Owner's Association (HOA) cases was attained. Only one Arbiter was left to decide for a number of newly filed cases that piled in addition to the existing outstanding cases and other tasks under his supervision.
15	MDFO	Municipal Development Fund	21,837.69	Only 44 per cent or ₱9.52 billion were utilized to finance LGUs' priority projects as of December 31, 2019, while 56 per cent or ₱12.31 billion were placed

No.	Agency	Program/ Project	Amount (In Million ₱)	Condition
				in various government securities with maturity dates ranging from less than one year to 10 years.
16	NBDB	National Book Development Trust Fund (NBDTF) Act	0.10	Difficulty in convening the Advisory Committee members expected to conduct the selection and evaluation of grantees and submissions of manuscripts were not all immediately completed.
17	NBI	Purchase of equipment, investigative tools, firewall, furniture and fixtures and DNA profiling consumables, Lease of office space	103.12	Failed bidding; delayed approval of contract by the DOJ.
18	NCMB, CO and RCMBs	Single-Entry Approach (SEnA)	Not stated	Of the Requests for Assistance (RFAs) of 6,067 cases handled under Single-Entry Approach, only 3,837 or 63 percent were settled which is below the performance target of 77 percent. Moreover, only 64 percent of the 77 percent performance target were settled within the Process Cycle Time (PCT). On the other hand, of the 988 total cases handled for resolution in CY 2019 under the Voluntary Arbitration Program, 468 cases or only 47.36 percent were disposed as of December 31, 2019, while 403 or 40.79 percent were not resolved within the 90-day PCT. Likewise, 73.8 percent or 384 cases of the 520 pending cases at the end of the year were already beyond the 90-day PCT.
19	NYC	Program Fit Filipino Youth Against Drug (FYAD) and Human Immuno-deficiency Virus/ Acquired Immuno-deficiency Syndrome Prevention Program for the Youth (Project HAPPY)	10.41	Only 4 out of the 12 targeted activities were attained under the Program. The objective of NYC to encourage healthy lifestyle amongst youth was not attained due to change of priority by the newly appointed Chairman, among others.
20	OCD	Various projects	500.00	Failure of bidding for some projects.
21	OPAPP	Fund transferred from Department of Agriculture	231.74	Management is still waiting/ following-up from the LGUs-IAs the liquidations on the 1 st tranches of transferred funds before transferring the second/last tranches of the funds. No document or

No.	Agency	Program/ Project	Amount (In Million ₱)	Condition
				instruction from the source agency whether the projects are to be continued, amended or to be stopped.
22	OWWA	Balik Pinas Balik Hanapbuhay (BPBH) Project	51.42	Delay in the release of grants and lack of proper monitoring in the implementation of the projects as required under the MOA resulting in partial implementation of the livelihood projects, thus affecting the full attainment of its objective of providing immediate relief to returning member-OFWs and their families.
		Welfare Assistance Program (WAP) - Calamity (Earthquake)	19.00	Fund was not fully released due to lack of manpower to conduct thorough verification, evaluation and processing of documents submitted by thousands of applicants from the entire Cotabato Province.
23	PCOO	ASEAN	0.86	Cash advances for the ASEAN Funds amounting to ₱0.86 million has not been liquidated although the activity has long been concluded. Moreover, ₱0.37 million of the ₱0.86 million was irregularly granted as cash advance to a PTNI employee.
24	PhilSCA	Tulong Dunong Program AY 2018-2019 (Regional Campuses)	0.41	Release of the financial assistance to TDP students-beneficiary amounting to ₱0.41 million delayed by 102 to 136 days while ₱6,000.00 remained unreleased to student-beneficiary.
		Universal Access to Quality Tertiary Education Act of 2017	99.37	Lapses in the implementation of RA No. 10931 or the "Universal Access to Quality Tertiary Education Act of 2017" resulted in delay in billing CHED-UniFAST of Free Higher Education for AY 2019-2020 for a period of 3 to 6 months and improper recognition of the funds received amounting to ₱99.37 million in the books.
25	PSA	-	2.01	The targeted pilot registration of one million Filipinos beginning September 2019 under Phase 1 of the Philippine Identification System was not carried out due to delay in the execution of project activities/ delay in the procurement of the Automated Biometric Identification System/ Post-qualification of the lowest calculated bidder/Notice of award (NOA) delayed by four months, among others.
26	PSRTI	Harmonized Learning and Development Program for PSA Personnel; Capacity Building of DENR statisticians and planning	129.00	a) fund transfers towards the end of the year were made by the SAs to preclude the lapsing of the NCA; b) trainings cannot be undertaken within the budget year from which funds were sourced; and c) no specific timeline was agreed to ensure the activities will be completed within the budget year, among others.

No.	Agency	Program/ Project	Amount (In Million ₱)	Condition
		officers; 2019 National Information and Communications Technology Household Survey (NICTHS)		
27	ASC, CAR	Scholarship Program	0.23	Funds transferred by the National Commission on Indigenous People (NCIP)-CAR remained undistributed to student-beneficiaries due to failure of the NCIP-Cordillera to provide the list of beneficiaries and also the guidelines in the distribution of the scholarship.
28	BSU, CAR	Free Higher Education Programs/TES Program	4.14	Financial assistance to some students during AY 2018-2019 ineligible under the program, contrary to Section 28 (a.2) of the IRR of RA No. 10931.
29	ESSU, R8	DOST-funded projects	2.76	<p>a) The implementation of the DOST-funded project in Maydolong Campus was extended beyond the agreement period of implementation even without written approved authority from the DOST;</p> <p>b) The Salcedo Campus fell short in ensuring the fabrication and/or acquisition of the required equipment for the project due to the non-conduct of market study which could have ensured that an appropriate or up to date purchase price for the machine was considered in preparing the line item budget;</p> <p>c) The Guiuan Campus did not recognize the electric power requirement for the ice block making machine to work normally when planning the project proposal for Project 2. As such, budget allocation was not included in its project proposal for the purchase of an electric transformer.</p>
30	MSU, R12-GSC	TES Program	6.46	Financial assistance unreleased to students who have graduated or only have one remaining semester left and receiving other scholarship allowances as the management was not fully aware of the rules and regulations in the Grant, Utilization and Liquidation of Funds Transferred to Implementing Agencies.
		Expanded Students' Grants-in-Aid Program for Poverty Alleviation	0.87	Unclaimed stipend due to non-monitoring of personnel in charge on the roles and responsibilities of the University as co-implementor of the scholarship program due to the absence of copy of the MOA with CHEDRO.

No.	Agency	Program/ Project	Amount (In Million ₱)	Condition
		(ESGPPA) Scholarship Program		
31	NIPSC, R6	Skills training on community- based commercial egg production (for Typhoon Yolanda Victims)	0.75	Delayed program implementation by 4 years after the fund was downloaded and by 5 months after release to beneficiary due to typhoon Ursula in CY 2019.
32	OMSC, R4B	Research, Development and Extension (RDE)	56.74	Expenditures for RDE in CYs 2015-2019 showed inefficiency in terms of outputs as manifested by low output/decreasing trend in research outputs for 10 research areas, low publication rate for research projects and low utilization rate for completed researches in the conduct of extension services. Management explained that although the OMSC is mandated to fulfill four-fold function of instruction, research, extension and production, it is essentially an academic institution and should focus primarily on instruction-related programs.
33	PSU, R5	Various research projects	12.52	Seventy-four (74) or 44 percent of 169 researches were not completed as planned due to delay in the procurement and delivery of supplies needed/ Unavailability of materials in the market/Conflicting work schedules of the researchers/ Delay in the conduct of data gathering/Conflict of schedule of participants from the scheduled workshops/ Inclement weather condition/ Retirement/ non-renewal/ delay in the processing of contracts of Project Team Leader/ Member/ technical staff/ Distant research locations/High technical nature of the questionnaire used in the research.
34	SPAMAST, R11	TES ESGPPA Program	8.78	Payment of financial benefits student-beneficiaries was delayed and made in full towards the end of the semester instead of on staggered /monthly basis as prescribed under the TES program guidelines.
35	VSU, R8	TES Program	1.56	Represents unreleased benefit to grantees who did not enroll, dropped out during the semester or have existing scholarships other than TES due to non-compliance with MOA between VSU and CHED and UniFAST Board.
36	WVSU, R6-Main and External Campuses	Student Financial Assistance Program (StuFAP) and SAFE	2.00	Loans not properly monitored and collected due to non-compliant with CHED Memoranda Order Nos. 4 s. 2004 and 25 s. 2008, thus contributing to the non-attainment of the purpose of the loan programs.

No.	Agency	Program/ Project	Amount (In Million ₱)	Condition
Total			47,985.06	

Recommendations

The Auditors recommended the following courses of actions:

Agency	Audit Recommendations
DepEd	<p>a) Observe strict monitoring and supervision of overall program implementation for its timely completion, delivery to the intended recipient schools and utilization; fast-track the completion of the on-going deliveries of school furniture in the CO and ROs; for projects that have long been delayed and not yet completed, recommend for termination of contract projects, when warranted; coordinate with DBM for the prompt release of program funds and facilitate the early release of Sub-AROs to ensure the timely implementation of the SFP in the ROs; observe timeliness in the execution of procurement activities in accordance with RA No. 9184 GPPB Circular No. 05-2018; impose liquidated damages for late deliveries; strengthen measures on the inspection and acceptance of school furniture by strictly observing the specific guidelines in the DepEd Order No. 35 s. 2017 and require the contractor to repair damaged school furniture still within the Warranty Period;</p> <p>b) Maximize the utilization and implementation of the Textbooks and Other Instructional Materials Program for the benefit of its learners and teachers; Strengthen internal controls through the provision of specific guidelines and procedures, including responsible offices, officials and appropriate documentation for each sub-system on instructional materials inventory; Address the noted errors/variances on the Buffer Stock Inventory Report, and issues in the warehouses;</p> <p>c) Require all the stakeholders of SBFP to ensure the timely implementation of the program according to DepEd Order Nos. 39, series of 2017 and 18, series of 2019 to attain its objectives anticipating the possible setbacks and risks that will be encountered in its operation; Expedite the procurement process by conducting early procurement activities short of award; Effectively plan the feeding program by conducting double feeding activity to be able to complete the feeding cycle on the prescribed completion date; Implement properly the double feeding scheme to ensure that the full benefits of the program are obtained; Comply with the required composition of the SBFP Core Group; Ensure that food handlers have updated health certificates and the</p>

Agency	Audit Recommendations
	<p>canteens have updated sanitary permits; Instruct the Accounting Office to facilitate early release of funds to schools to avoid delay in the implementation of the program; and</p> <p>d) Prepare a catch-up plan to maximize fund utilization and timely implementation of the SME and LTE program for the benefit of the students and teachers advancing their learnings in Science and Mathematics subjects; Consider the factors in determining the ABC of the projects following the GPPB Manual Volume I by undertaking the market research of price and eligible suppliers; Demand 100 percent completion of delivery of SME and TVL Packages from the suppliers, otherwise, consider terminating the contracts as provided under the relevant provisions of RA No. 9184 and its Revised IRR.</p>
DILG	<p>Require the LGUs to submit liquidation reports for completed projects and determine the causes/reasons for uncompleted projects despite the time extension granted. If possible, issue a warning on the cancellation of projects, otherwise, require the refund of the unutilized fund.</p>
DOE	<p>a) Initiate the forfeiture of performance bond for TRC for HEP Projects and require the submission of the necessary bidding and contract documents relative to the construction of micro-hydro system;</p> <p>b) Fast track the implementation of the existing approved NIHE projects with the DUs with released funds; Consider terminating all MOAs with DUs that remained idle to date; and if the projects were to be continued, conduct public bidding for the services of the most qualified/competent DUs to implement/undertake the project. Also, demand immediate liquidation of completed electrifications as well as those that are due for liquidation based on MOA or the full refund of released amounts if remained uncompleted based on completion target date; and</p> <p>c) Formulate/enhance existing guidelines on the implementation of the TEP for the guidance of NEA in the implementation of electrification project that include among others, the timelines for the implementation of TEP by ECs, inclusion of penal clause in the contracts between NEA and ECs; and non-inclusion in the TEP of all ECs with outstanding balances/unliquidated funds.</p>
DOH	<p>Require the Health Facility Development Bureau and Knowledge Management and Information Technology Services to formulate</p>

Agency	Audit Recommendations
	<p>and implement a policy that: 1) requires the installation and use of the iHOMIS in all government hospitals nationwide; 2) prohibits the use of other vendor-supplied EMRs which perform the same functions and features with the iHOMIS; 3) provide assistance to hospitals especially those in remote areas in the installation and use of the iHOMIS; and 4) fast track the improvement/ upgrading of the iHOMIS to keep up with the latest trends in technology and to be flexible/adaptable to different needs of various hospitals and the DOH as a whole.</p>
DSWD	<p>a) Conduct proper planning and close coordination with counterpart LGUs for the conduct of stipend pay-out to beneficiaries to ensure the safety of verifiers, paymasters and beneficiaries. Also, devise a scheme to fast track the liquidation of cash advances of SDOs to avoid unnecessary delay in the payment of stipend to beneficiaries. Refrain from holding substantial amount of cash advances; and have a safe/vault to safeguard cash from loss thru theft or misuse;</p> <p>b) Strictly comply with DSWD Memorandum Circulars and Guidance Notes for Sustainable Livelihood Program for the efficient and effective implementation of the program; Partner with other Accredited Private Training Institutes and/or Assessment Centers that can accommodate the participants to undergo trainings immediately; Distribute the idle starter kits to eligible participants who had undergone trainings under the same program; and Safeguard undistributed/idle starter kits to possible loss and deterioration;</p> <p>c) Ensure equitable budget allocation based on the most identified priority provinces susceptible to multiple climate hazard and poverty incidence taking into consideration municipalities and barangays in identified provinces with historical high incidence of disaster hazards; and</p> <p>d) Vigorously pursue the maximum utilization of the funds and adopt appropriate measures to ensure timely implementation of SFP in all cities and municipalities within the region.</p>

Agency	Audit Recommendations
PCOO	<ul style="list-style-type: none"> a) Take necessary step to compel the refund of the ₱0.49 million by the Special Disbursing Officer (SDO) either thru salary deductions or outright payment, and the ₱0.37 million from then Head Executive Assistant of PTNI through legal remedies, without prejudice to the filing of appropriate charges against them; b) Investigate the irregular grant and transfer of CA to the PTNI employee, and impose appropriate sanction on the persons responsible for the grant; and c) Henceforth, institute measures to ensure that all AOs strictly comply with the regulations on Cash Advances, and meticulously monitor and safeguard their accountability.
SUCs	<ul style="list-style-type: none"> a) Designate a coordinator for the regional campuses to facilitate the timely release of financial/scholarship assistance to the students-beneficiaries and the consolidation of the required documentary requirements for submission to the Source Agency to avoid delay of subsequent releases; b) Intensify the collection of due and demandable loans receivables by sending demand letters and coordinating with the appropriate government agencies such as SSS, GSIS, BIR, and NBI to request assistance in obtaining information on the whereabouts of the student-borrowers and their guarantors; c) Strictly adhere to the provisions of existing guidelines of the program and the MOA; d) Return any excess fund to the source agency to avoid tying up government funds and submit the corresponding liquidation reports; e) Fast track the approval of new guidelines for various scholarships programs in the future to ensure immediate implementation and full utilization of all funds intended for the programs; and f) Review carefully the Masterlist of beneficiaries to avoid duplication of names of beneficiaries and double funding of grants.
Other Agencies	<ul style="list-style-type: none"> a) Carefully plan and prioritize PPAs for implementation during the year and adopt effective strategies to achieve the target; b) Adopt monitoring mechanism to oversee the implementation of the project;

Agency	Audit Recommendations
	<p>c) Take appropriate measures to resolve constraints/problems encountered during the period of implementation to prevent further delay in project completion; and</p> <p>d) Evaluate causes/constraints for non-attainment of target and prepare action/catch up plan.</p>

2. Various infrastructure projects implemented by 37 agencies and SUCs amounting to ₱119.24 billion were either not properly planned, or not executed in accordance with the plan, or with noted deficiencies, or not completed on time, or not completed at all which may result in waste of government funds or delayed enjoyment of project benefits, on account of, among others, non-observance of road right of way (RROW) rule, overlapping with on-going projects of another agency, for being idle, not fully operational/underutilized, not yet turned over or not yet started or not sustained, delayed procurement process, weak monitoring of project and insufficient coordination among government agencies, and changes/ modifications in plans.

No.	Agency	Program/ Project	Amount (in Million ₱)	Condition/Cause
1	BFP	Construction of Fire Stations	Not stated in the report	Contractor abandoned the repair of the fire station/soil erosion/scarcity of construction materials/ weather disturbance/ late release of fund/ waiting implementation of LGU counterpart/ application for tree cutting permit and political tension/ delayed/non-payment of progress billings and incomplete installation of required work items such as floor tiles, water tanks, electrical wirings etc.
2	BJMP		2,762.14	Delayed completion of 49 infrastructure projects is inconsistent with Section 17.6 of the 2016 IRR of RA No. 9184 that hampered BJMP's objective of providing a functional and responsive jail facility to Persons Deprived of Liberty (PDL) pursuant to Section 63 of RA No. 6975.
3	DepEd	Basic Educational Facilities Fund (BEFF) Repair and Rehabilitation of School Buildings	297.16	Reported lapses/ deficiencies in the repair and rehabilitation of school buildings in eight regions, such as (a) delayed completion of the projects ranging from 12 to 703 days; (b) deficiencies in the perfected contracts and the Program of Works (POWs); and (c) poor workmanship on some aspects of repairs/rehabilitation and unfinished repair/rehabilitation works.
		BEFF/ Electrification project	264.24	Completion of Electrification Projects costing ₱264.24 million under the FY 2019 and FY 2018 BEFF in DepEd NCR, CAR, ROs I, IV-B, VI and XIII was delayed by 17 to 336 days. Furthermore, variances were noted in

No.	Agency	Program/ Project	Amount (in Million ₱)	Condition/Cause
				the power bill deposits to the electric company in RO XIII.
		BEFF/ School Building/ Classroom	83.32	Delayed project completion in ROs XII and XIII due to inadequate monitoring of the DPWH-implemented BEFF school building/ classrooms
		Fund transferred to DSWD/ Establishment of New Public Schools for IP in Mindanao Program	547.50	Out of ₱547.50 million total funds transferred to DSWD for the implementation of the Program, ₱167.69 million or 31 percent remained unliquidated as of December 31, 2019. Moreover, out of the target 605 classrooms requirements, 244 or 41 percent remained uncompleted.
4	DOH	Health Facilities Enhancement Program (HFEP) - Infrastructure Projects	3,827.81	Not executed in accordance with the terms of the contract or not completed within contract time or idle/unutilized/ not fully operational/ underutilized/not yet turned over or unimplemented/not yet started exposing the facilities to bad elements.
		Infrastructure Projects	571.19	Delayed project completion due to inadequate planning and monitoring
5	DOT	Maestranza Curtain Wall Project	250.52	Abandonment by the contractor.
6	DOTr	Improvement of Regional Building with Installation of Elevator/ Rehabilitation of Office Building Pasay DO/ Rehabilitation of Office Building Caloocan DO	26.14	a) Insufficient manpower/ personnel deployed by the contractor to undertake the repair and rehabilitation of the buildings; b) modification/additional program of works; and c) late mobilization of contractor particularly on the Rehabilitation of Office Building in Pasay City.
		Renovation of LTO Regional Office IX	2.74	Inaction and laxity of management to compel the contractor to complete the project contrary to the Revised IRR of RA No. 9184. There were no written demands made by the LTO IX management to compel the contractor.
		Construction/Rehabilitation of 12 projects.	676.12	a) Budget and funds flow; b) Design, scope and technical; c) Site condition/availability; d) Procurement; and e) Government funding/institutional approvals
7	DPWH-MVUC	National Road Lighting Program	3,548.52	Poor planning, inadequate guidelines, and insufficient monitoring and supervision schemes employed.
		Pedestrian Overpass	31.64	Lack of proper coordination mechanism with the stakeholders.

No.	Agency	Program/ Project	Amount (in Million ₱)	Condition/Cause
8	DPWH- RAF	School buildings and Farm to Market Road projects	101,690.70	Typhoon or unfavorable weather condition; Peace and order situation; RROW; Pending issuance of excavation permit/clearance from LGUs, and permits for cutting trees from DENR and necessary clearance from other agencies; Modification of plans, design and program of works; Modification and realignment of location/non-availability of project site location; Insufficient workforce/manpower of contractors; Lack of equipment and transfer of equipment from one project site to another site by the contractor with two or more projects; Unavailability and difficulty in hauling construction materials; Scarcity of materials in the locality; Inaccessible project site for heavy equipment; Inadequate project supervision and monitoring; Late release of funds, among others.
9	DSWD	KALAHI-CIDSSS sub-project/ Repair/ improvement of chapel/ Construction of health stations/ Construction of dike/ seawall	1.60	Ineligible projects under Section 1.2.4, Volume 1 of the Revised Community Based infrastructure Manual.
			2.96	RROW not observed resulting in the impending demolition of the Health Center due to the road widening project of the DPWH.
			4.26	Project overlapped with DPWH projects resulting in its demolition.
		Sustainable Livelihood Program/50 projects	17.41	Projects not properly identified at the pre-implementation stage resulting in redundancy, market sharing, non-viability and unsustainability of projects, limited market and low profitability.
		KALAHI-CIDSSS/ 62 projects	60.41	Defective projects
		KALAHI-CIDSSS /Seawall	1.36	Uncompleted; partly damaged by strong winds
		Production Center	1.23	Not operational
		Streetlights	4.28	After one year, solar street lights tend to start performing poorly.
		Solar powered streetlights	11.89	Not functional/ not turned-over yet/ Brgy. Captain refused to accept due to issues on missing equipment/ materials/ land title/ documents.
		Corn Mill Building/ Potable Water System/ Multi-Purpose Bldg; among others	10.71	Operational for only two months/ contractor refused to turn-over the key/ main purpose is for evacuation.

No.	Agency	Program/ Project	Amount (in Million ₱)	Condition/Cause
		Sustainable Livelihood Program/ Core Shelter Assistance	3.17	Completed shelter units remained unoccupied at CAR
			9.33	75 shelter units not yet started at CAR
			59.32	Uncompleted shelter units at Regions II and V
			15.31	
		Core Shelter Assistance Program - CAR	27.70	Construction of 340 shelter units still on-going. Of the 340 units, 58 were already occupied even if the structures were not yet completed per design and specifications.
		Sheltered Workshop Building, Regional Rehab Center for the Youth	4.70	Project remained incomplete due to failure to secure occupancy permit in the absence of fire exit.
		Buildings and structures like Home of the Elderly, Records Building, among others	28.78	Required permits not yet secured
10	ITDI	Repair of Laboratory and Room for Modular Innovation Center	112.00	Terminated contract
11	JJWC	Bahay Pag-asa	29.69	Slow implementation of the construction/ improvement of Bahay Pag-asa for FY 2019
12	MMDA	Flood Control Projects	1,092.80	No procurement timelines (from advertisement to contract signing) provided in every project; Numerous Suspension Orders issued due to late/pending issuance of clearance by LGUs, barangays, community and other concerned agencies; Overlapping project with DPWH; Delayed start by contractor; Suspension due to on-going road/ drainage project of DPWH along the proposed location to avoid traffic congestion in the area.
		Traffic Signalization Projects and Footbridge Projects	810.39	Numerous Suspension Orders issued by the MMDA for various reasons such as inclement weather conditions, and late issuance of permits, among others.
		Design and Construction of Pedestrian Footbridge with Solar Powered Lightings along MIA Road in front of Tambo	8.40	Failure of bidding. As per BAC Resolution No. 2019-078A dated September 18, 2019, the title of the project is different from the one stated in the GAA.

No.	Agency	Program/ Project	Amount (in Million ₱)	Condition/Cause
		Elementary School, Parañaque City		
13	NAP	Architecture and Engineering Design of New Archives Repository Building	3.75	The TOR was originally scheduled to be completed until July 2019 but was only finalized in November 2019 due to delay in the hiring of the consultant to assist in the drafting/finalizing the TOR. The planned hiring of the consultant in August 2019 was only done in November 2019.
		Structural Integrity Assessment and Retrofit Design of Otis Property	3.50	The TOR was finalized as planned in November 2019 and the hiring for the service provider will take place in CY 2020. The implementation of other activities is expected to be delayed as well.
14	NLP	-	5.18	Abandonment by the contractor which was not immediately acted upon by NLP
15	PCG	Construction of buildings and lighthouses; upgrading of Electrical Systems; procurement of services for the emergency drydocking, etc.	611.19	Failure to monitor the implementation of the projects
16	PSHSS, R9 and R12	Construction of Academic Building for Senior High	239.87	Lapses in monitoring the project implementation
		7 Infrastructure Projects	156.25	Failure of the contractor to meet the target work schedules
		5 Infrastructure Projects	217.00	Deficient planning and supervision
17	ASCOT R3	Construction of 3 Storey Classroom and Office Building-Bazal Campus	14.98	Abandonment of contract by the contractor. The contractor incurred negative slippage of 49.94 percent more or less. The Inspectorate Team, however, failed to evaluate the percentage of actual accomplishment, the negative slippage was not immediately determined.
18	BU, R5		105.24	The four (4) infrastructure projects awarded to a contractor are still in progress as of February 17, 2020 despite the time extension granted of 107 days or a revised completion date on September 20, 2019, incurring 150 days delay and liquidated damages pursuant to Item 8.1 Annex "E", Revised IRR of RA No. 9184 and Item 5 of the Contract.
19	BISCAS T R5	Infrastructure Projects	57.72	Inadequate project planning and monitoring and inefficient procurement process.

No.	Agency	Program/ Project	Amount (in Million ₱)	Condition/Cause
20	CBSUA R5	Construction of Academic Building, Phase II (Infra-17-08)	28.99	The Management did not impose sanctions against the contractor for unwarranted delay as provided in Item No. 8, Annex E of the Revised IRR of RA No. 9184, resulting in delays in the completion of the project and depriving the University and stakeholders of the immediate use of the Building.
21	CMU, R10	Comprehensive Integrated Government Financial Management System (CIGFMS)	3.25	Employees trained by the systems provider were already transferred to other departments in the University. The supplier found it difficult to implement the system due to the changing of employees. Has been idle for around one year.
22	CSPC, R5	12 Infrastructure Projects	19.36	Failure to monitor/supervise the project
23	CSU, R2	Various Infrastructure Projects	77.07	
24	CSU, R5	4 Infrastructure Projects	41.69	Lack of project monitoring
25	CSU, R13	Responsible Mining - Contamination Pathway and Pollution Management of Mining project	8.98	Failure of the concerned personnel to observe the guidelines in the custody of government property
26	DEBES MSCAT, R5	9 Infrastructure Projects	38.61	<ul style="list-style-type: none"> Agency's inaction/ failure to exercise the remedies either by imposing liquidated damages or rescinding or taking over the contracts as provided for by law for delayed project implementation Management's lapses in the conduct of post-qualifications of winning bidders resulting in overlapping projects awarded to two contractors despite inadequate manpower and equipment to simultaneously implement the projects and the subsequent delay in project implementation
27	MPSPC, CAR	Gender and Development (GAD) - Repair and maintenance of the Breastfeeding Room and Child Care Center not implemented	1.90	Wrong project identification. There are no breast feeding room and child care center facilities at the College, hence, nothing to be repaired/maintained.
28	MSC, R4B	5 Infrastructure Projects	89.30	Failure to impose liquidated damages and/or rescind/terminate the contract contrary to Sections 8.1 and 8.4 of

No.	Agency	Program/ Project	Amount (in Million ₱)	Condition/Cause
				Annex E and Section III, Item A.2 of Annex I of the Revised IRR of RA No. 9184, thus depriving the College of the income from liquidated damages and the benefits that could be derived therefrom had it been completed on time
29	NVSU, R2	3 Infrastructure Projects	24.11	Terminated projects
30	PSU	Construction of 4-storey Engineering Building	40.84	Necessary permits and documents have not been secured and transformer for electrification was not yet installed.
31	USEP, R11	Building projects in Obrero Campus	238.28	Project implemented even in the absence of building permit and occupancy permit putting the lives of the occupants of the buildings constructed within the University in danger
32	WMSU, R9	Various infrastructure projects	229.95	No available ROW to the project site; Delayed delivery of materials; Contractor failed to assign complete workforce or follow the PERT/CPM; Delivered materials do not conform with plans and specification; Overlapping period of project implementation awarded to the same contractor involving two to three projects; Suspension of work by contractor as the building subject of the contract was used by the university for faculty and students' activity; Contractor's inadequate financial capability.
33	WPU, R4B	Construction of Library Extension in Aborlan Campus and Construction of Modern Instructional Science Building in Puerto Princesa City Campus	0.35	With technical defects/deficiencies noted in the Construction of Library Extension in Aborlan Campus and Construction of Modern Instructional Science Building in Puerto Princesa City Campus
34	WVSU, R6	Research and Extension Building/ Cultural Center/ WVSU Admin Building and Data Center	80.68	Overlapping period of project implementation awarded to the same contractor who submitted similar lists of manpower complement and equipment to be utilized during the project implementations, contrary to Sections 34.1 and 34.3 of the IRR of RA No. 9184 and to the terms and conditions stipulated in the contracts.
35	MSU-TCTO, BARM	Various Projects	Not stated	Contractors' insufficient equipment and personnel; no available required materials in the area or cash to purchase construction materials and pay for personnel salaries and wages;
36	TRAC SUC, BARM	Various Projects	Not stated	

No.	Agency	Program/ Project	Amount (in Million ₱)	Condition/Cause
				unavailability of vessel/s for the shipment of goods.
37	ZCSPC, R9	Riprapped Lagoon and World Food Trade Bldg constructed by DepEd	4.38	Project defects left unattended; Project not conducive for use; Have been idle for around 3 to 12 years.
Total			119,239.86	

Recommendations

The Auditors recommended the following courses of actions:

Agency	Audit Recommendation
DepEd	<p>a) Establish close coordination with DSWD to expedite the completion of the needed IP classrooms and to facilitate liquidation of the funds transferred including the submission of the accomplishment reports; Integrate into the supplemental MOA the specific guidelines, such as but not limited to, the reporting requirements and procedures to properly document, record, and account the completed IP classrooms; and Plan judiciously taking into consideration the capacity of partner Agencies in implementing programs/projects of the Department to ensure that program's objectives are achieved within targeted timelines and project outputs are carried out accordingly;</p> <p>b) Conduct thorough inspection and validation of the actual accomplishment of all infrastructure projects as of December 31, 2019 and prepare status reports showing the accurate actual work accomplished as compared to the contractor's Statement of Work Accomplished; and</p> <p>c) Enforce the necessary sanctions against the erring Contractors, as provided under RA No. 9184.</p>
DOH	<p>a) Facilitate the full operation of the newly-built infrastructures;</p> <p>b) Advise the Engineering offices to conduct regular and strict supervision and monitoring of all on-going hospital infrastructure projects and close coordination among concerned parties;</p> <p>c) Draw/approve specific and immediate plans or measures that will compel defaulting contractors to fast-track the final completion and turnover of their projects;</p>

Agency	Audit Recommendation
	<p>d) Impose liquidated damages for the time elapsed in accordance with Sections 68 and 8.5 of Annex "E" of the Revised IRR of RA No. 9184, and report the unsatisfactory/poor performance of the Contractor to concerned authorities for disciplinary measures; and</p> <p>e) Regularly coordinate with PS-DBM counterparts, if applicable, for the immediate implementation and completion of projects.</p>
DSWD	<p>a) Discontinue funding projects not eligible under the program, otherwise, be held liable for disbursing fund without basis;</p> <p>b) Observe strictly the required RROW in the construction of KALAH-CIDSS sub-projects in the future and provide technical assistance to LGUs for the immediate construction of the new projects; Coordinate with DPWH to ensure that the community-identified priority projects are not the potential development sites of the DPWH infrastructure projects and require concerned BLGU to properly document KALAH-CIDSS sub-projects affected by DPWH projects for monitoring purposes;</p> <p>c) Ensure that activities during the pre-implementation stages are carried out properly and meticulously by: 1) properly identifying livelihood assets and market map and analyzing every detail with complete critical information; 2) emphasizing viability and sustainability of each and every project; 3) encouraging projects that will not only generate profits for distribution but as well an employment for all SLPA members; 4) considering availability of natural resources within the locality showcasing its unique products with the end vision of exporting them to nearby towns, cities and other countries; 5) becoming aware of other PPAs to strengthen linkages to other programs; 6) ensuring the accessibility of commercial areas and financing institutions; and 7) exploring the presence, involvement and provision of possible assistance by the NGOs, CSOs and NGAs as well as LGUs and establish connection with all Sectors to help identify institutional market resources and opportunities for the products and services of program participants;</p> <p>d) Capacitate the communities based on existing KC Manual designed for the proper implementation of the program; Look into the sub-projects with noted defects and make representations with proper authorities including LGUs concerned towards possible remedial measures; Require Kalahi personnel to turn over records under his custody before separation from the agency; Monitor/revisit the</p>

Agency	Audit Recommendation
	<p>different projects long implemented in different municipalities; Conduct Sustainability Evaluation Test in coordination with concerned barangay/municipalities to ascertain the functionalities of the different sub-projects; Coordinate with the Barangay Council for the allocation of funds for the regular maintenance requirements of the subproject; Require the Barangay Bookkeepers through the Municipal Accountants to conduct inventory of all completed sub-projects funded under KALAHI-CIDSS and KKB Projects and thereafter record them in their books of accounts; and</p> <p>e) Create a committee composed of officials or employees from the Disaster Risk Reduction Management, Accounting Office and Engineering Division to conduct a thorough evaluation of the project vis-à-vis fund released and accomplishment; Determine the persons liable for non-completion of project and file administrative and/or criminal and/or civil case, if necessary; and to award the long completed core shelter units to the identified and qualified beneficiaries and make representations with the concerned LGU for the provision of counterpart fund to complete the CSAP.</p>
Other Agencies	<p>a) Closely monitor and supervise the program/project implementation to ensure its completion within the contract period;</p> <p>b) Institute appropriate sanctions against erring contractors such as imposition of liquidated damages, blacklisting of contractors, forfeiture of contractor's performance security bond, contract termination and take-over of project;</p> <p>c) For future infrastructure projects, conduct thorough detailed engineering activities and ensure that issues that could delay project implementation are resolved prior to the procurement and project implementation;</p> <p>d) Thoroughly evaluate the contractor's capability to undertake the projects taking into consideration its manpower and equipment;</p> <p>e) Coordinate with stakeholders like LGUs and other government agencies and communities to achieve effective and synchronized planning and implementation of programs and projects;</p> <p>f) Explore options on the productive and full utilization of facilities and equipment;</p>

Agency	Audit Recommendation
	<p>g) Prepare continuity or back up plans for the immediate completion of terminated projects;</p> <p>h) Conduct regular monitoring and assessment of all completed infrastructure projects and status of implementation of deployment plan; and</p> <p>i) Require the contractor to fast track the repair works of all defects on the projects and enforce the remedies provided in the Revised IRR of RA No. 9184.</p>

- 3. Other programs implemented/items procured by 9 agencies and SUCs amounting to ₱42.92 billion were also unutilized/underutilized/overstocked/expired/undistributed or not adequately protected, exposing the projects to deterioration/theft due to, among others, non-completion of facilities for its installation/lack of trained personnel to operate the same/incompatibility problems/poor planning and inefficient coordination among government agencies, that may eventually result in wastage of government funds.**

No.	Agency	Program/Project	Amount (in Million ₱)	Condition/Cause
1	DENR	Confiscated product/ idle property and equipment/ National Greening Program (NGP) equipment not fully maximized	59.38	Inadequate and improper storage areas and absence of clear cut policy in the management of confiscated goods; Inadequate trainings on the use of property equipment, applications and operations; Non-repair of defective inverter and sensor and Mobile device procured was incorrect
2	DOE	E-Trike Project/ Market Transformation through the Introduction of Energy Efficient Electric Vehicles (E-Trike) Project	20.30	DOE's mere acceptance of USD400,000.00 despite not being consulted as the project's executing agency and lack of involvement in the conduct of feasibility study and project conceptualization prior to entering into the Loan Agreements in September 2013 resulted in failure to achieve the original goal of the project. Out of 2,998 e-trike units, only 403 were confirmed deployed as Deployment Plans of the NGAs and LGUs were still in the implementation stage. The undeployed units were idle for an average of more than 1 year from receipt of e-trike units by the NGAs and LGUs.
3	DOH	HFEP Equipment	716.16	Unutilized/undelivered/delivered with delay/ undistributed exposing properties to deterioration/theft; with lapsed warranty period/expiry date/wastage of government funds.
		Medical Equipment	663.79	Idle/unutilized due to non-availability/ non-completion of

No.	Agency	Program/Project	Amount (in Million ₱)	Condition/Cause
				facilities for its installation/lack of trained personnel to operate the same/ incompatibility with reagents/ absence of turnover documents from DOH-CO.
		Immunization Program	2,198.75	Expired or overstocked/slow moving or nearly expired medicines due to poor planning, inefficient and uncoordinated transfer/ distribution and lack of proper storage.
		Procurement of drugs, medicines and supplies	25,492.83	Deficiencies in the warehouses/ storage facilities due to failure to adopt an orderly storage system and adequate controls taken to safeguard procured drugs and medicines, equipment and supplies against possible wastage, loss, obsolescence or expiry, thus, exposed the inventories to the elements of theft and rapid deterioration/expiration of drugs and medicines causing the possible loss of their efficacy.
4	DOST	Grants-in-Aid (GIA) Projects	5,941.75	The GIA funded projects showing a low percentage of completion of only 48 percent for CYs 2016 to 2018 or only 247 out of 511 projects; minimal liquidation of only 44 percent or ₱2.60 billion out of approved budget of ₱5.94 billion; unsubmitted TRs on completed projects; and various internal control lapses cast doubts on the proper implementation of projects and the timely delivery of expected research outputs to intended users.
5	DOTr	Law Enforcement Services (LES)	22.75	Various equipment procured which remained unutilized as at year-end due to, among others, poor planning/ absence of feasibility study prior to procurement, supplier's failure to perform its undertaking like non-installation of the dispatch system with consoles and unutilized repeater system, non-distribution of the handheld radios to the respective ROs, non-installation of dashboard cameras due to the inoperative Monitoring Center and Fleet Management System and lack of proper training of LES personnel. These resulted in wastage of government fund and the agency's failure to attain the objective for which the fund was expended.
		DOTr- LTO Road Transportation Information Technology Infrastructure	3,190.02	Pilot Testing and Implementation under the Customization of Integrated Smart Core Applications and Implementation activity has incurred substantial delays due to: a)

No.	Agency	Program/Project	Amount (in Million ₱)	Condition/Cause
		Project-Component A		Incomplete turn-over of Database by the existing IT Provider (Stradcom Corp.); b) Non-inclusion of feeder lines in the original contract on Component A; c) Deployment of handheld mobile devices could not be made due to the non-completion of the Law Enforcement and Traffic Adjudication System (LETAS); and d) Inter-agency Interface.
		Design and/or Supply and Delivery of 48 Light Rail Vehicles	3,759.38	The 48 Dalian train procured five years ago will remain idle unless the restriction on the contract with Sumitomo Corporation is waived or lifted. As at reporting date, only 9 of the 48 LRVs were issued with Provisional Acceptance Certificate (PAC). The other 39 LRVs have yet to complete dynamic tests and 1,000-kilometer test runs.
		Energy-Efficient Vehicles (E-trike) Project	101.31	Flawed Usufruct Agreement contract with Transweath Fleet Management Corporation (TFMC) coupled with Management's failure to act with urgency.
		Roxas Airport-Extension of runway project/Sta. Fe Port Devt./ KBK (Lot 16-MIAA-NCR) – Toilet Facilities Improvement Project, among others	638.04	Five terminated projects with no continuity plan and two substantially completed projects that had remained idle for nine years.
6	DSWD	Sustainable Livelihood Projects (SLPs)/ Provision of seed capital/ Skills training/ Core Shelter Assistance Program	6.89	Completed projects not sustained/not implemented in 17 SLPs as the projects are unviable and or due to conflict among members. Failure of service provider to conduct NCII assessment test for participants who have completed the skills training for CYs 2017 to 2018, depriving the participants from applying for employment.
			47.45	Zero accomplishment.
		395 units of serviceable mobile phones with undetermined value for Kalahi CIDSS National Community Driven Development Program (KC-NCDDP) operations	No data	Unused/idle units as end-users have resigned from the service or whose contract of service have already ended and was not renewed or rehired by management.

No.	Agency	Program/Project	Amount (in Million ₱)	Condition/Cause
7	NAPC	Supply and Property Management	0.25	Unutilized Supply and Property Management System purchased in CY 2018 due to lack of personnel dedicated to assist the Supply and Property Officer
8	OMB	Application and Registration Modules and Collection System	0.43	The Application and Registration Modules and Collection System acquired by the OMB in 2018, remained not utilized until December 31, 2019. Management inaction to resolve the issues on the discovered bugs which prevented the proper flow of the transactions during the implementation of the system.
9	SSC, R5	Technical and Scientific Equipment for Post-Harvest Facility of SSC Magallanes Campus/ Equipment for Tissue Culture Laboratory	59.24	The electricity supplied by the local electric cooperative to the school was insufficient to make the equipment operative. The building where the equipment was supposed to be installed and used as laboratory, allegedly did not meet the electrical specifications to run and operate the equipment. Idle for one year to five years.
Total			42,918.72	

Recommendations

The Auditors recommended the following course of actions:

Agency	Audit Recommendations
DOE	Do not accept future projects not initiated by the agency or without its involvement in the project conceptualization especially if the project will require expertise not available within the Department and to consult NEDA Board before accepting any project.
DOH	a) Require the HFEP Team to properly plan, assess and evaluate the equipment to be procured in terms of availability of space, facilities and immediate needs of the recipient hospitals to attain the maximum use of the HFEP equipment; coordinate with the property units of the LGU hospital to report immediately the defective equipment so as to facilitate the availment of warranties; require the suppliers to deliver in accordance with the terms and specifications to avoid delays in the acceptance; and ensure readiness of the recipient facilities in receiving the equipment (i.e. enough power supply, availability of the space/location, availability and trainings of necessary personnel, and availability of turn-over documents) during the procurement and before implementation;

Agency	Audit Recommendations
	<p>b) Carefully plan and maximize the utilization of hospital income; and</p> <p>c) Strictly implement Warehousing Operating Manual; consider revisiting the contracts for the rental of warehouses and require the Heads of DOH hospitals to adopt measures/procedures to strengthen their internal controls to safeguard their resources and promote efficiency and economy to its operations.</p>
Other agencies	<p>a) Prepare a catch up plan or program to facilitate the implementation of the projects or to use procured systems and equipment;</p> <p>b) Assess the capacity of the agency to undertake the project before transferring/ accepting funds;</p> <p>c) Undertake early procurement activities in accordance with Section 20 of the 2019 GAA and resolve all problems that may hamper project implementation; and</p> <p>d) Revisit the provisions of the MOA and require all personnel concerned to strictly comply with the pertinent provisions of the MOA.</p>

- 4. Unutilized appropriations/unobligated allotments/unused budget/fund of 40 agencies and SUCs amounted to ₱138.64 billion due to delay in securing approval, non/partial project implementation, delayed procurement activities, excessive fund allocation, poor/inadequate planning, failure to monitor budget utilization, late release of fund, non-compliance with policies and guidelines, among others, affecting the attainment of the program objectives.**

No.	Agency/ Cluster/ RO	Appropriation/Project Cost (In Million ₱)		Program/ Project Affected	Reason/s for Non- utilization
		Total	Unused		
1	AFP-GHQ	102,617.06	2,837.52	Modernization Fund and Quick Response Fund	On-going procurement activities and proposed projects for the rehabilitation and reconstruction programs and projects not falling under the original intent of the fund.
2	BFAR	396.00	365.00	Integrated Marine Environment Monitoring System Phase 2; Fish CORAL Project	Failed bidding due to lack of interested contractors/suppliers.

No.	Agency/ Cluster/ RO	Appropriation/Project Cost (In Million ₱)		Program/ Project Affected	Reason/s for Non- utilization
		Total	Unused		
3	BI	189.85	183.04	Border Control and Management Program/ Enhancement of Border Management Information System	Delayed procurement schedules.
4	BuCor	4,913.47	1,529.58	ICT Equipment and Software, Motor Vehicle and Furniture and Fixtures	Planned procurement activities were not efficiently pursued.
5	CHED	59,866.72	26,198.29	Access to Quality Tertiary Education, provision of scholarship to faculty of HEIs and administrators, StuFAPs, PCARI project; K to 12 Transition Program, and Subsidy for Tuition Fees of Medical Students in SUCs	Low utilization rate.
6	CHR	1.21	0.51	Financial and community assistance for human rights violation victims	Unreleased due to insufficient contact information and claims still in process as at year-end.
7	CPD, CO, NCR, and R6	205.18	128.43	National Program on Population and Family Planning	Release by the DBM of allotment was in the last quarter of CY 2019, among others.
8	DAR	8,556.62	873.93	Climate Resilient Farm Productivity Support Program	Problems encountered in the implementation of projects.
9	DepEd	543,438.50	26,769.18	DepEd Computerization Program; Textbooks and Instructional Materials; Science and Mathematics Equipment; Joint Delivery Voucher Program for SHS Technical-Vocational Livelihood	Unimplemented PPA/unfilled plantilla positions/ over-allocation of funds/ unauthorized transfer of NCA to Cash in Bank-LCCA/ delayed release and not fully released funds/claims not properly supported by Obligation Request and Status (ORS) and/or ORS not appropriately filled-up/unauthorized re-alignment of funds.

No.	Agency/ Cluster/ RO	Appropriation/Project Cost (In Million ₱)		Program/ Project Affected	Reason/s for Non- utilization
		Total	Unused		
				specializations; School-based Feeding Program; and Basic Education Facilities Fund	
10	DFA - RCOs	Not stated	10.55	Various	BAC is centralized at the Home Office- Office of the Consular Affairs.
11	DOE	2,655.40	301.71	Nuclear Energy Program/ Performance Audit and Assessment of Power Generations, Transmissions and Distribution Facilities/ Biofuels Program/ Capacity Building Program, among others	Delayed or non- implementation of programmed activities for the year.
12	DOH	110,245.17	38,653.09	Health Facilities Enhancement Program/ Human Resource for Health Deployment/ Public Health Management/Nat ional Immunization/ Family Health/Eliminati on of Infectious Diseases Program/Rabies Control/Preventi on and Control of Infectious Disease/TB Control and Non- Communicable Diseases	Late fund releases/ delayed procurement activities/ inadequate financial planning and untimely implementation of various programs, projects and activities, among others.
13	DOT	3,322.65	356.42	Advertising Projects/ Market and Product Development	Management inability to properly plan and prioritize procurement of material projects had affected the ability of DOT to ensure physical delivery of their targeted programs.

No.	Agency/ Cluster/ RO	Appropriation/Project Cost (In Million ₱)		Program/ Project Affected	Reason/s for Non- utilization
		Total	Unused		
14	DOTr	92,826.71	26,497.51	Rail Transport Program/ Aviation Infrastructure Program/ Maritime Infrastructure Program/ Land Public Transportation Program	Slow project implementation/ failure of bidding/ provision of stand-by funds to cover price escalation and variation orders/ deferment of project due to design and technical feasibility/ cancellation of loan agreement
15	DTI	6,857.18	1,016.59	Shared Service Facilities (SSF) and Task Force Bangon Marawi Projects	Late releases of funds/failure of bidding
16	ECCDC	531.95	69.43	National Child Development Centers; Accreditation of ECCDC Service Providers	Non-implementation/ partial implementation and over allocation of budget/fund
17	ERC	862.48	260.98	Programs and projects for Information and Communication Technology Equipment, training, services and repairs	Urgent ERC relocation and conduct of an agency-wide Information System technical review and assessment
18	IPOPHL	912.12	215.17	Various projects programmed for MOOE and CO	Non-hiring of consultants and other professionals/deferral of procurement of motor vehicles, ICT and office equipment/non-consummation of lease for additional workspace.
19	MARINA	1,061.78	16.82	General Management and Supervision/ Administration of Personnel Benefits/ Implementation of the Management Information System	Slow procurement process and consequently deferred the delivery of physical targets to succeeding years.
20	MMDA	7,153.03	973.47	Current operating expenditure incurred under the Solid Water Program, Traffic Management Program and	Delayed/non-implementation of projects and delayed procurement activities

No.	Agency/ Cluster/ RO	Appropriation/Project Cost (In Million ₱)		Program/ Project Affected	Reason/s for Non- utilization
		Total	Unused		
				Flood Control Program	
21	NAP	179.87	179.87	Acquisition of lot and building for NAP-RAN in Davao City	Non-acceptance by the property owners of the agency's price offer during negotiations
22	NBDB	70.92	14.25	Local Book Publishing Development Program	Excessive allotment
23	NCCT	17.66	4.20	Child-Friendly Television Development Program	Unfilled position/late release of fund by the DBM/ excessive fund allocation
24	OP	1,412.94	1,412.94	Economic development	Non-formulation of fund utilization guidelines and work and financial plans
25	OTC	79.19	38.29	Organization of Tricycle Cooperatives	Lack of approved work program and turn-over of activities from former OTC Chairman
26	OTS	1,490.99	205.59	Non-implementation of repairs and maintenance of building and non-hiring of 294 Job Order personnel, non-filling up of 383 permanent plantilla and contractual position	Non-completion of delivery during the year
27	OWWA	1,089.36	120.67	General Management and Supervision/ Social Protection and Welfare for OFWs Program/ Automatic Appropriations/ Special Purpose Fund	Implementation ongoing; Lack of manpower to implement the Agency's PPAs
28	PCG	13,347.89	872.91	MOOE, CO and PS	Delayed project accomplishment, slow processing of payments
29	PhilFIDA	481.53	66.14	Fiber Development Program	Drought in the area and unfavorable weather condition
30	PhilSCA	179.76	64.60	Special Trust Fund	Budget lapses in the programming and execution of the programmed projects and budget

No.	Agency/ Cluster/ RO	Appropriation/Project Cost (In Million ₱)		Program/ Project Affected	Reason/s for Non- utilization
		Total	Unused		
31	PHIVOLCS	546.56	46.34	Volcano, EQ and Tsunami Monitoring and Warning Program/ Hazards Mapping, Disaster Preparedness and Risk Reduction Program; Risk Assessment and R&D Program	Lack of interested bidders in remote sites and revision of plans
32	PUP	953.69	352.54	Curriculum Development, Facilities Development, Research, Extension, and Production	Non-compliance with the prescribed percentage rate of allocation/ unauthorized inclusion of prior years' accumulated savings/ low utilization rate/ and unallocated actual collections
33	SCP	3,949.70	3,902.44	Halls of Justice nationwide	Inadequate planning/ slow procurement activities/ lack of coordination with LGUs concerned/ DPWH/ lack of technical personnel.
		4,533.75	3,514.41	Enterprise Information Systems Plan (EISP) projects	Non-implementation and/or on-going procurement activities
34	TUP	333.21	238.21	Special Trust Fund	Delay/ failure in bidding process
35	UNACOM	1.36	1.36	Knowledge Mobilization and Intercultural Dialogue Promoting Gender Equality and Women Empowerment in Pastolan and Magbukun Aeta Villages in Bataan	Delay in securing approval from the President or his authorized representative based on the recommendation of the Secretary of Finance as required by Section 6, General Provisions of the 2019 GAA
36	ASSCAT R13	7.91	6.22	Buildings and structures, among others	Lapses in the procurement process and poor planning or identification of programs and projects
37	BISCAST, R5	116.01	50.78	Various infrastructure projects under	Inadequate planning and delayed procurement

No.	Agency/ Cluster/ RO	Appropriation/Project Cost (In Million ₱)		Program/ Project Affected	Reason/s for Non- utilization
		Total	Unused		
				GAA and Special Trust Fund	
38	BU, R5	1,387.88	208.27	Modernization of laboratory facilities/ Power and Water supply systems/ Other Land/Building and Road Network, among others	Slow procurement process
39	NMP, R8	678.22	85.63	Management and Development of the National Collections and Related Knowledge Resources; Restoration, Preservation, Protection and Development of Cultural Property; Construction of National Museum in Davao City; and Continued Restoration and Site Development of Loon Church Complex, Loon, Bohol	Low disbursement capacity for capital outlay, among others
40	SPAMAST R11	1.78	1.78	Library holdings	Non-compliance with CHED policies, standards and guidelines and improper implementation of the procurement process
Total		977,473.26	138,644.66		

Recommendations

The Auditors recommended the following courses of actions:

- a) Properly plan programs, projects and activities (PPA) taking into consideration the absorptive/spending capacity, project deadlines, period of program/project implementation and procurement and fund disbursement timelines;
- b) Monitor programs/project accomplishment/status of implementation and performance of contractors;

- c) Conduct early procurement activities and observe procurement timelines;
 - d) Adopt systematic measures and procedures in the processing of claims and exert effort to communicate and locate the claimants/beneficiaries and documents;
 - e) Seek assistance from DICT in the implementation of its computerized projects prior to procurement to ensure that ICT procured/outsourced are consistent with Government Information System Plan;
 - f) Revisit staffing pattern/manpower complement for augmentation of technical personnel to promptly address PPAs;
 - g) Stop transferring funds from General Fund to Trust Fund without authority and valid purpose;
 - h) Submit authority for the transfer of unused NCAs to Trust Fund; and
 - i) Transfer cash allocations to ROs/POs as soon as these become available.
- 5. Unutilized Notice of Cash Allocations (NCAs) of 24 agencies and SUCs amounted to ₱28.21 billion due to improper planning and forecasting, late approval and release of GAA or fund transfers, delayed program/project implementation, slow procurement process and unreleased checks, among others.**

No.	Agency/ Cluster/ Region	Unutilized NCAs (In Million ₱)	Program/Project Affected	Reason/s for Non-utilization
1	BFAR	26.31	FishCORAL Project	Deficient planning and forecasting
2	DA	5,839.57	Various projects	Delayed procurement/late submission and /or incomplete documentation of DVs/ lack of manpower/ late downloading of funding requirements
3	DAR	2,352.60	N/A	Delayed transfer of cash allocations
4	DENR	799.00	NGP/Forestland Management Project/ Integrated Natural Resources and Environmental (INRE) Management Project/ Manila Bay Rehabilitation Project	Unpaid claims for completed NGP projects/long drought season/ revision of the TOR/failure of bidding, among others
5	DFA	6,040.01	Various	Project implementation takes longer than one year/ late receipt of billings/ cancellation of some projects beyond the control of the Department.
6	DOE	547.11	Various	Delayed/non-implementation of programmed activities for the year/limited suppliers of highly specialized and technical equipment, among others

No.	Agency/ Cluster/ Region	Unutilized NCAs (In Million ₱)	Program/Project Affected	Reason/s for Non-utilization
7	DOT	1,006.10	Advertising Projects	Management's inability to project and prepare a more realistic Monthly Disbursement Program
8	DOTr	5,513.41	Seatbelt Fund and Information Systems Strategic Plan	Delayed delivery of the items/non-awarding of contracts due to re-enacted budget/non-payment of payables due to lack of supporting documents and late settlement of liquidated damages by the suppliers, among others
9	DPWH-RAF	255.26	Various projects	Unrealistic financial plans
10	DSWD, CO, CAR, R4B, R11 and R12	4,411.05	Social Feeding Program/ Social Pension /Quick Response Fund, among others	Delayed approval and release of GAA and Notice of Fund Transfer/ election ban/failure of bidding/time constraint/ late orientation on the new implementation scheme of SFP, among others
11	DTI	251.19	Shared Service Facilities and Task Force Bangon Marawi Projects	Non-delivery of goods/equipment procured or not yet due for delivery
12	ERC	52.75	ICT related equipment, training, services and repairs	Office relocation and conduct of agency-wide Information System technical review and assessment
13	FPA	65.52	New laboratory building	Unavailability of supplier's raw materials for the required specifications
14	HLURB- BRFO and NLRFO	1.88	Personnel Services	Failure to hire additional personnel/ Salaries of retired and transferred personnel included in the Monthly Cash Program.
15	MARINA	2.45	Procurement	Improper planning of procurement activities
16	NTC	26.18	Broadband Benchmarking Project/ Multi-purpose Hall/RD's office/ Purchase of motor vehicle and ICT Equipment	Improper planning and forecasting
17	OTS	438.89	Repairs and maintenance of building and Personnel Services	Non-implementation of project/ non-filling up of permanent plantilla and contractual position.
18	PCG	330.57	Various projects	Failure of the Management to conduct procurement/ delayed project implementation, among others.
19	PhilFIDA	58.55	Various	Non-implementation of some activities during the year and delayed payment of obligations
20	PSHS- CAR, R6 and R12	82.30	Infrastructure projects/ equipment, text book/ instructional materials	Non-availability of requested items/poor planning of procurement activities
21	PTTC	36.90	Various	Late billing of contractors

No.	Agency/ Cluster/ Region	Unutilized NCAs (In Million ₱)	Program/Project Affected	Reason/s for Non-utilization
22	TRB	3.95	Procurement of motor vehicles and ICT Equipment	Delayed procurement process
23	CCSP, R12	18.44	CO/Infrastructure	Unfinished and/or not yet started projects and undelivered items
24	CSPC, R5	48.37	MOOE and Capital Outlay	Delayed processing of claims.
Total		28,208.36		

Recommendations

The Auditors recommended the following courses of actions:

- a) Remit/return to the National Treasury the unexpended balance and unauthorized transfer of NCA to agency bank accounts;
- b) Transfer cash allocations to ROs/POs as soon as these become available;
- c) Properly plan programs, projects and activities (PPAs) taking into consideration the absorptive/spending capacity, project deadlines, period of program/project implementation and procurement and fund disbursement timelines;
- d) Monitor programs/project accomplishment/status of implementation and performance of contractors;
- e) Conduct early procurement activities and observe procurement timelines;
- f) Adopt systematic measures and procedures in the processing of claims and exert effort to communicate and locate the claimants/beneficiaries and documents; and
- g) Revisit staffing pattern/manpower complement for augmentation of technical personnel to promptly address PPAs.

6. **In 54 agencies and SUCs, dormant/unutilized funds or unauthorized bank accounts/deposits unreverted to the BTr or unreturned to Source Agencies (SAs) amounted to ₱15.81 billion, contrary to applicable laws, rules, regulations and Supreme Court decisions depriving government of additional funds for its operation.**

No.	Cluster/ Agency/ Region	Amount (In Million ₱)	Nature of Funds/Deposits	Conditions	No. of Years Dormant/ Unutilized/ Unreverted
1	AFP-GHQ	1,078.33	Special and Trust Funds	Waiting for authority from Permanent Committee to maintain the bank accounts/waiting approval of the request for the closure of bank account	-

No.	Cluster/ Agency/ Region	Amount (In Million ₱)	Nature of Funds/Deposits	Conditions	No. of Years Dormant/ Unutilized/ Unreverted
2	BFAR	27.16	GSIS Insurance Fund; BUB Special Purpose Fund	-	2013-2019
3	BFP	0.67	Collections from the sale of bidding documents and guaranty/security deposits	BFP NCR in the process of opening a BTR-MDS Trust Account per BTr advice to transfer the amount deposited in the LBP - LCCA to BTR-MDS Trust Account. On the other hand, BFP R3 has pending claims for honoraria of BAC and TWG members for CYs 2015-2018 not yet approved for payment. The amount for CY 2019 was intended for payment of CY 2019 TWG honoraria, release of performance bond and refund of bid documents for discontinued procurement.	2015-2018
4	BIR	3.68	Insurance Proceeds received in CY 2016 for the damaged office building	-	-
5	BLGF	0.11	Interest income	-	-
6	BOC	1,855.37	Guaranty/Security Deposits/Trust receipts/ Collections and other idle unauthorized cash balances as of December 31, 2019	-	2-12 years
7	COMELEC	0.53	Payroll fund maintained without authority	-	-
		531.80	Trust Fund (TF)	The TF account of the COMELEC intended for the receipts arising from legal fees and other income was improperly maintained due to: unremitted collections/receipts and unutilized registration fees; collections of refund of cash advances/excess cash advances; collection of Legal Research Fees	

No.	Cluster/ Agency/ Region	Amount (In Million ₱)	Nature of Funds/Deposits	Conditions	No. of Years Dormant/ Unutilized/ Unreverted
				(LRF), which remained unremitted to the University of the Philippines; and delayed recording of deposits.	
8	DAR	16.19	Unnecessary/ unauthorized bank accounts; Unused fund for completed projects; Dormant cash	-	-
9	DENR	33.03	Collection from performance bonds, bid documents, seminar and Fund 102 merged to fund 101	-	-
10	DepEd	3,864.40	Unremitted collections/ unutilized/excess NCAs or NTAs	-	-
11	DFA/ R4B	0.01	PRF account	-	Since March 2016
13	DILG	43.21	Various projects including Recovery Assistance on Yolanda	Non-liquidation of fund transfer.	-
14	DOE	327.33	Unnecessary and dormant cash in bank accounts under Cash in Bank - LCCA, Regular Agency Fund and Cash in Bank - LCCA, Trust Fund and Treasury Bills	The two accounts under the Cash in Bank - LCCA - TF were set aside as trust by DOE based on their specific purposes. Funds amounting to ₱325.86 million was invested in Treasury Bills with a maturity of three months or less from the date of acquisition until their conversion and return of the amount to the LCCA on different dates in CY 2019.	22 years since 1998
15	DOLE	136.35	Trust receipts and collections of registration fees	The balance were unremitted to the BTr, contrary to Section 6 of the General Provisions of GAA, FY 2019 or RA No. 11260, EO No. 338, s. 1996 and Section 32 of the Cash Examination Manual.	

No.	Cluster/ Agency/ Region	Amount (In Million ₱)	Nature of Funds/Deposits	Conditions	No. of Years Dormant/ Unutilized/ Unreverted
16	DOST/ CO and R2	151.12	Unused balance not reverted to SA, contrary to Section 4.9 of COA Circular No. 94-013 dated December 13, 1994	Lack of strict monitoring.	-
17	DOT	95.43	Forex Accommodation accounts	Amount intended for foreign currency remittance to DOT foreign offices and creditors for operational needs and special projects but not released due to pending liquidations of previous releases	Less than 2 years
		188.97	-	Use of personal bank account for cash custodianship and disposition; several depository accounts; Unauthorized maintenance of Local Currency Current Bank Accounts	
18	DSWD, R4B and R13	35.58	Self-Employment Assistant-Kaunlaran (SEA-K) Revolving and Settlement Fund	Inadequate monitoring of project implementation or fund utilization either due to lack of manpower resources for the repayments of the funds granted to the beneficiaries, among others	-
19	DTI	0.92	Unspent fund from fund transfers from the DTI-CO and other government agencies	-	-
20	FPRDI	0.02	Research funds for the trust assisted project	The Accountant recognized that the amount was due for deposit in Swiss Coco account while the errors in tax remittances were still for verification and reconciliation; Data transition and lack of manpower to monitor program and project balances were contributing factors on the difficulty of	More than 2 years

No.	Cluster/ Agency/ Region	Amount (In Million ₱)	Nature of Funds/Deposits	Conditions	No. of Years Dormant/ Unutilized/ Unreverted
				reconciliation and liquidation of balances, contrary to Sections 6.7 of COA Circular No. 94-013.	
21	GCG	2.14	MOOE savings for the improvement of working condition of personnel	Awaiting guidance from the GPPB on the extent of applicability of RA No. 9184 on the procurement activities of GCG-EA. Per GPPB's reply on December 6, 2019, there is no provision on Item 5.1.2 of DBM BC No. 2014-002 that authorized the transfer of funds from the agency to its union. It also stated that the funds to be used are appropriated for the GCG, which are therefore public funds. Hence, the provision of RA No. 9184 shall govern.	4 years
22	NAPOL-COM	48.18		Earmarked for various projects in the regional offices	
23	NBI	31.12	Inter-agency fund	No deadline indicated in the implementation of project	1 year
24	NCMB	0.06	Undisbursed fund held in trust covered by contract of service agreement between the NCMB and ILO	Management failed to withdraw the amount from the LBP LCCA No. 2472-1004-43 (or the ILO Fund) and deposit to the BTr. The said amount represent taxes withheld from the transactions under the ILO funds which was remitted to the BIR out of appropriations from FYs 2015 and 2016 GAA.	3 years
25	NEDA	13.75	Collections from reneging scholars	There is gradual progress of settling/resolving the issues on collections from reneging scholars due to failure to enforce the sanctions provided under EO No. 367 and NEDA Office Circular No. 002-2000 dated January 17, 2000.	
26	NLP	0.20	Construction of Library Building	-	More than 5 years

No.	Cluster/ Agency/ Region	Amount (In Million ₱)	Nature of Funds/Deposits	Conditions	No. of Years Dormant/ Unutilized/ Unreverted
27	NTC	0.01	Sale of bid documents and Performance/ Security Deposits	Excess proceeds net of finance expenses for the undertakings of the Bid and Awards Committee (BAC)	-
28	NTRC	0.01	Dormant bank account	Unclosed dormant bank account	9 years
29	OPAPP	37.76	Special Accounts- Locally Funded/ Domestic Grants fund; and Special Accounts-Foreign Assisted/Foreign Grants Fund	-	5-16 years
30	OSG	0.67	Performance bond	Cash-in Bank - LCCA was overstated because it included collection of performance bond which should be deposited to the National Treasury.	-
31	OWWA	0.41	National Reintegration Center for OFWs (NRCO), and Filipino Expatriate Livelihood Support Fund (FELSF)	This is sourced from the OWWA Fund.	More than 5 years
32	PAGASA	1.57	Various Funds/Projects and bank accounts	Unrecorded in the books of accounts	2-5 years
33	PhilFIDA	25.66	Trust Receipts and Performance Bond	It takes time to request from the DBM for the release of NCA corresponding to the deposited trust receipts. For the performance bonds, it may cause delay in the implementation of the projects and in the return of the bonds to the suppliers.	3 years
34	PNU	225.74		Use of personal bank account for cash custodianship and disposition; several depository accounts; Unauthorized maintenance of Local Currency Current bank accounts	
35	PNRI	2.74	Collections on bonds and other excess income.	Agency was not authorized to use these income including excess funds from the training fees. Management is still	-

No.	Cluster/ Agency/ Region	Amount (In Million ₱)	Nature of Funds/Deposits	Conditions	No. of Years Dormant/ Unutilized/ Unreverted
				finalizing the amount for reversion to BTr.	
36	PSA	2.22	Sale from bid documents and performance bond	To have the performance bonds and/or warranty securities readily available for payment of honoraria to BAC personnel upon completion of procurement projects or lapse of the warranty period. However, the Accounting Division has not received any claim for payment of honoraria for two years now.	-
37	PSHS, R9 and R7	0.69	Trust Fund	Management considered the receipt as School's common fund due to difficulty of requesting funds from DBM/ Collections were credited to Trust Fund without authority or instruction from the DBM.	2011-2019
38	PSRTI	7.89	Training fees, interest income and unused project funds	-	-
39	SEC	15.06	Interest income	-	4 years
40	SEI	3,880.52	Science and Technology Scholarship Fund	-	More than 3 years
41	TESDA	2,901.67	Fund Transfer from CHED	-	1-5 years
42	BatStateU, R4A	42.72	Fund transfers from various NGAs for financial grants to students and funding of research/projects	Retrieval of documents necessary for the adjustment to the proper account, preparation of liquidation report and return of unutilized balance to the Source Agencies on-going	2-12 years
43	CapSU, R6	3.15	Liquidated Damages from Infrastructure Projects and excess proceeds from the conduct of SK Training/ Various Programs funded by Other Agencies	Failure to deposit liquidated damages and excess proceeds from conduct of trainings/seminars with the National Treasury Collections considered as Income of the General Fund	3 months to 2 years
44	CSPC, R5	0.35	SUCs-Tulong Dunong Program and STUFAP	Excess cash advance not refunded to the account of National Treasury or	-

No.	Cluster/ Agency/ Region	Amount (In Million ₱)	Nature of Funds/Deposits	Conditions	No. of Years Dormant/ Unutilized/ Unreverted
				STUFAP Account No. 2772-1041-30 or to the Source Agency	
45	CSU, R4A	37.80	General Fund transferred by Main Campus to Naic Campus and Rosario Campus for operating requirements	Partial implementation by reverting first the unexpended cash advances for CYs 2017 and 2018.	More than 5 years
46	LNU, R8	0.58	Priority Development Assistance Fund (PDAF)	The check remittance issued to the BTr was returned by the BTr for correction due to error in the assigned account number.	More than 5 years
		10.72	-	Bank accounts with year-end confirmed balances are still being maintained by the University notwithstanding prior years' audit recommendation to terminate the same.	-
47	MSU-TCTO, BARM	20.30	Unliquidated Inter-Agency Fund Transfer	Non-maintenance of SL for inter-agency fund transfer; the newly designated accountant lacks the required knowledge and experience to properly account for Inter-Agency Fund Transfer making it hard for the agency to identify the remaining amount for return to respective source agencies.	Various dates
48	NIPSC, R6	0.36	Skills Training on Seaweeds Processing project	For Yolanda Victims funded by DSWD; Lack of project monitoring and evaluation	-
49	PCSDS, R4B	0.07	-	Unauthorized payroll account.	-
		0.06	-	Use of personal bank account for cash custodianship and disposition; several depository accounts; Unauthorized maintenance of Local Currency Current bank accounts	-
50	PhilMech, R3	0.43			
51	PSU, R4B	37.95	Fund 164 intended for infrastructure	For depository and disbursement of progress	-

No.	Cluster/ Agency/ Region	Amount (In Million ₱)	Nature of Funds/Deposits	Conditions	No. of Years Dormant/ Unutilized/ Unreverted
			transactions and Payroll Fund	billings of contractors for infrastructure projects	
52	SKSU, R12	0.52	Trust Fund	Looking for possible eventual utilization of cash.	6 years
53	VSU, R8	69.23	Tertiary Education Subsidy Program/ Fund transfers from other NGAs	Administrative Cost for project implementation are lumped in one account and non- monitoring of the balances of the fund transfers.	-
54	ZCSPC, R9	0.89	Guaranty/Security Deposits and Warranty Retention	Management is not aware that these accounts are to be remitted to the National Treasury.	1 year to more than 3 years
Total		15,813.41			

Recommendations

The Auditors recommended the following courses of actions:

- a) Close all dormant/unauthorized bank account maintained and remit the balance to the National Treasury;
 - b) Secure authority from the Permanent Committee to maintain current accounts which are considered extremely essential in the operations of the Agency;
 - c) Closely monitor the utilization of fund transfer and its liquidation and return all unutilized balance to the Source Agency upon project completion;
 - d) Remit to the BTr all collections from training fees, bidding fees, performance bond and interest income; and
 - e) Strictly adhere to existing laws and regulations on maintenance of special and trust fund accounts.
- 7. Disbursements amounting to at least ₱32.55 billion in 139 agencies and SUCs may be considered of doubtful validity mainly due to absence of documents to establish the validity and propriety of transactions, or payments without legal basis or considered unauthorized/ irregular/ excessive or unnecessary for being non-compliant with laws, rules and regulations. In addition, other practices affecting the reliability of expense accounts were also noted in a number of agencies.**

No.	Agency	Amount (In Million ₱)	Nature of Transactions
1	AFP-GHQ	47.62	Lack of supporting documents for the Construction of GHQ Grandstand/variation order, contrary to Section 9.1.1 of COA Circular 2012-001, Section 4.6 of PD No. 1445 and Section 3.1.3 of COA Circular No. 2009-001

No.	Agency	Amount (In Million ₱)	Nature of Transactions
		15.18	Lack of supporting documents for the repair and maintenance of buildings and other structures, contrary to Section 61 of PD No. 1445
		177.14	Lack of supporting documents for payments intended for Fuel, Oil and Lubricants (FOL) which is not in compliance with Section 4.6 of PD No. 1445
		142.47	Lack of supporting documents for progress payment of various infrastructure projects, contrary to Section 4.6 of PD No. 1445 and Item 9.1.1 and 9.1.3 of COA Circular 2012-001
		459.20	Lack of supporting documents for opening of deliveries of various purchases which is not in compliance with Paragraph 6.06 of COA Circular No. 95-006
		10.38	Lack of supporting documents for repairs and maintenance for transportation equipment, contrary to Section 9.1.3.4 of COA Circular No. 2012-001 and Appendix 71 of GAM, Volume II
		16.98	Continually incurring high cost of power consumption because of faulty installation and lack of proper maintenance on electric sub-meters installed in the 12 units ten-door apartments and in 10 units other structures; Overpayment of pension benefits to 90 retirees due to inaccurate data/information of pensioners contained in the database of Pension Management Information System (PenMIS)
2	BFAR	768.05	Disbursement in BFAR CO were deficient or lacking in documents to support the claims against government funds, contrary to the existing laws, rules and regulations.
3	BIR	0.52	Excess payments for the salary of janitorial workforce and janitorial supplies due to application of 12 percent agency instead of 10 percent
4	BTr	0.06	Monthly wage/salary and OT services of JO workers for CY 2019 due to erroneous computation
5	BWSC-SAP/SAWP	0.37	Payment of honoraria, Cash Gifts, and Special Socio-economic Assistance by the NGOs/POs are deemed irregular and unnecessary.
		0.07	Meals, supplies and transportation allowance for Christmas Fellowship of the 35 scholars cannot be considered essential.
6	CCC	2.65	Payment of training expenses not supported with ORs contrary to Section 68 of PD No. 1445
7	CDA	13.05	Payments to establish the legitimacy of the 52 cooperative-beneficiaries of the financial assistance for the MPN-CODE Project granted by Kidapawan EO were not submitted and CDA-CO did not conduct post evaluation/assessment of the first phase of the MPN-CODE Project.
		10.41	Various claims in Calamba EO were not supported with the necessary documents, contrary to Section 4(6) of PD No. 1445, Sections 5(f) and 36(f), Chapter 2 of GAM, Volume 1 and COA Circular No. 2012-001.
		0.48	Per diems and traveling expenses paid to Consultants/Job Orders, and contractual workers of the MRTC Project of CDA-Kidapawan
8	CFO	0.32	Donation of funds by CFO to an unaccredited NGO/PO without adequate and proper documents, contrary to

No.	Agency	Amount (In Million ₱)	Nature of Transactions
			Section 71 of RA No. 11260 (GAA of FY 2019) and COA Circular No. 2007-001
		0.74	Expenses incurred that could have been avoided had a permanent personnel been hired to be stationed in its Clark Extension Desk and Davao Satellite Office
		0.12	Monthly Living Quarters Allowance of ₱10,000.00 of the AO assigned at Davao Satellite Office, contrary to the allowable amount provided in NBC No. 571 dated December 4, 2017
		0.40	CFO rented an office space for its Davao Satellite Office which is larger than necessary. Moreover, renovation expenses in the total amount of ₱0.396 million were borne solely by CFO even though the contract lease term did not exceed one year.
9	CHED	38.30	Funds released by CHED-CO to the HEIs were not supported with ORs, contrary to what was provided in the MOA. Likewise, liquidation for the private HEIs Computerization Program was not supported with complete documentation.
		0.62	21 DVs for payment of food services and room accommodations from October 2018 to December 2019 during the activities of CHEDRO XIII were not supported with Office Order/Memorandum, Inspection and Acceptance Report, Training/Activity Design and Attendance Sheet.
		3.56	Salaries and wages of employees and transportation allowances of CHEDRO VIII were paid without adequate documentation.
		1.04	Purchase of high-end laptops, computers and cellular phones out of the transferred funds of CHED-CO to private HEIs
		1.16	Gasoline expenses for the period from June 30, 2018 to January 26, 2019 of CHEDRO X were paid out of the PCF, and CY 2018-2019 CNA Incentives of CHED RO XI were paid without complete supporting documents contrary to COA Circular No. 2012-001.
10	COMELEC	97.48	Disbursements for the payment of lease of training venues were not supported with complete documents required under Annex H of the Revised IRR of RA 9184.
11	CA	5.21	The propriety, validity and legality of payments made for salaries and wages of casual and contractual personnel for CY 2019 cannot be established in view of the lack of basic documentary requirements to support the transactions, as required under Item 4.1.3 of COA Circular No. 2012-001.
12	CPD	1.15	The validity of the expenditures could not be ascertained due to non-submission of complete documentary requirements as prescribed under COA Circular No. 2012-001 and Appendix 60 of the GAM, Volume II.
13	DAR	1.84	Irregular and unnecessary disbursements
14	DENR	2.33	NGP funds used for compensation of Forest Extension Officers and Forest Rangers.
15	DepEd	7,119.72	Various disbursements were paid despite the absence of complete supporting documents in violation of Section 4(6) of PD No. 1445 and COA Circular No. 2012-001.

No.	Agency	Amount (In Million ₱)	Nature of Transactions
		582.00	Funds transferred to PEAC for the implementation of GASTPE program for various school years were doubtful. Fund transfer was not supported with complete documents; liquidation documents not submitted within the period prescribed by the MOA, among others.
16	DFA	0.98	Funds were not utilized with due regard to economy and efficiency in the lease of twenty desktop computers which is not in accordance with Section 2 of PD No. 1445. Moreover, the disbursements were not adequately supported with documents to establish propriety, contrary to COA Circular No. 2012-001 and Section 24 of the General Provisions of RA No. 11260.
17	DILG	5.16	Claims were paid despite incomplete documentation, contrary to Sections 4.6 of PD No. 1445; thereby casting doubt on the propriety, regularity and validity of the transactions.
		52.80	Sixteen (16) ineligible LGUs were awarded with 2019 Performance Challenge Fund incentive, contrary to DILG-MC 2019-202.
18	DND	6.92	Basis on the allocation of budget for the renovation of DND Common Comfort Rooms, such as market study or technical bench marking was not provided.
		0.55	Additional expenses incurred for the installation of hot and cold shower and air conditioning units in common comfort areas for Male and Female and PWD are considered unnecessary expenditures pursuant to COA Circular No. 2012-003.
19	DOH	0.17	Charges against income of one hospital not within the prescribed usages and authority under DOH-DOF-DBM Circular No. 2003-1.
		360.00	Disbursements of ₱360.00 million in 23 CHD Offices, Hospitals and TRCs did not comply with established rules, procedural guidelines, policies, principles or practices, resulting in the incurrence of irregular, unnecessary, excessive and extravagant expenditures.
20	DOLE	327.45	Disbursements were made despite the lack of documentary requirements, contrary to Section 4(6) of PD No. 1445 and pertinent provisions of COA Circular No. 2012-001.
		0.35	Representation expenses for CY 2019 in Region IX included the costs of breakfast and dinner served during the conduct of monthly conferences and meetings, contrary to Section 3.1 and 4.1 of COA Circular No. 2012-003.
21	DOST	6,000.85	Approval/ processing of fund transfers and liquidations without complete supporting documents/inadequate project details at the Central Office and Region XIII.
		11.00	Unnecessary expenses of the DOST CO-Technology Resource Center and 7 ROs and excess payment of longevity benefits for CY 2019
22	DOT	1.20	Salaries and wages of Job Order employees not duly certified by an authorized personnel nor approved for payment by the Head of Agency
		0.28	Reimbursement of actual fares and claim for accommodation expense in excess of the maximum amount of ₱2,200.00 per day

No.	Agency	Amount (In Million ₱)	Nature of Transactions
		0.30	Travel expenses and seminar fees for planning conference and GAD and Destination Management seminar exceeded the prevailing limits under EO No. 77 and DBM NBC No. 563.
		0.08	Rental of SUVs instead of a sedan or an AUV which can sufficiently meet the service vehicular requirements at a lesser cost to the government not in conformity with DBM Budget Circular No. 2017-1 dated April 26, 2017
		0.35	Holding of Year-end Assessment and Strategic Planning activity in an exclusive resort in Island Garden City of Samal
		0.22	Training expenses for JOs non-compliant with CSC Resolution No. 020790 issued on June 5, 2002.
		0.33	Payment of unnecessary plane fares for speakers and lecturers from Manila to conduct the trainings and seminars
		0.11	Payment of van rentals for the period August 2018 to July 2019 amounting to ₱0.84 million showed a variance of ₱0.11 million compared to the quoted price.
		3.58	Gift checks used by the agency for promotional materials were considered irregular as defined in Section 3.1 of COA Circular No. 2012-003 which provides the definition of irregular expenditure; except, under number 11, Annex A of the same COA Circular, if said activities are undertaken pursuant to the mandate of the donor agency. Likewise, number 5, Annex "B" states that use of public funds for private purposes is illegal. Moreover, Section 11, Chapter 3, Vol. 1 of GAM requires the issuance of Obligation Request and Status (ORS) for the incurrence of obligations. COA Decision No. 2007-001 dated January 09, 2007 states that gift check is similar to cash item due to its money value and encashable.
		0.11	No basis was provided in the Contract of Service (COS) for the mid-year bonus granted to 23 CS personnel of DOT RO VI. Description of the transaction stated in the particulars of the DVs spoke of payment of salary differentials, instead of mid-year bonus, contrary to Section 11.5 of CSC-COA-DBM Joint Circular No. 1 s. 2018 dated November 9, 2018.
		0.30	DOT RO XIII incurred excess claims on payment of telephone expenses- mobile to its official amounting to ₱3,500.00, contrary to Department Order No. 2012-13 and expenses incurred in the conduct of DOT-CAR's planning conference and GAD in the total amount of ₱0.30 million. Management seminar fall under extravagant expenditures, in violation of Section 2 of PD No. 1445.
		0.82	Overpayment of Clothing/Uniform Allowance for three (3) newly hired DOT RO VI employees; payment of training expenses in excess of the fixed rate; accommodation expenses in excess of the maximum allowable amount per day for hotel/lodging; payment for van rentals excessively higher which ranged from ₱300.00 to ₱3,500.00, or 4 percent to 233.33 percent; SUVs were rented in the amount of ₱78,600.00 where the roads traversed are of flat surface, and for which a sedan or an AUV can sufficiently meet the service

No.	Agency	Amount (In Million ₱)	Nature of Transactions
			vehicular requirements at a lesser cost to the government, contrary to Sections 5.1 and 5.3 of COA Circular 2012-001, DBM Budget Circular No. 2017-1 dated April 26, 2017, and EO No. 77.
		0.68	Training expenses paid were deemed unnecessary, in violation of Resolution No. 020790 issued by the CSC on June 5, 2002. Unnecessary payment of learning activity, payment of breakfast meal during seminar, and payment of plane fares, contrary to, Sec. 4 of COA Circular No. 2012-003 dated October 29, 2012. Unnecessary administrative expenses have been paid contrary to Sec 4, Paragraph 2 of PD No. 1445.
		1.20	Disbursements for salaries and wages of Job Order employees in May 2019 to June 2019 were not duly certified by an authorized personnel nor were approved for payment by the Head of Agency or an authorized representative, contrary to Sec. 4(5) of PD No. 1445.
23	DOTr	3,175.33	Non-compliance with PPP implementation guidelines resulted in the excess amount of fuel subsidies and unauthorized cash withdrawal of subsidies of ₱3.18 billion. The status of program implementation and the achievement of the Program's objectives could not be evaluated due to non-compliance with reporting requirements by concerned agencies.
24	DPWH-RAF	8,320.16	Disbursements of DPWH Regions I, VII, X and XIII not supported with complete documentation
		431.93	Contract cost of 167 projects implemented by different DPWH offices exceeded the COA allowable cost.
25	DSWD	127.23	Cash advances granted from CYs 2016 to 2018 with incomplete supporting documents
		14.33	Liquidation of cash advances with incomplete supporting documents
		5.88	Fourteen (14) DVs with no Certificate of Eligibility
		4.63	DVs and required documents not approved by proper officials
		93.18	Thirty-two (32) ORs purportedly issued by service provider of CCT Program for several trainings conducted supporting the liquidation reports were merely photocopy and repeatedly attached to support the 317 Report of Disbursements of different accountable officers.
		6.67	Disbursements in three DSWD offices are either not supported with complete documentary requirements or did not comply with the established rules, procedural guidelines, policies, principles or practices resulting in the incurrence of irregular, unnecessary and excessive expenditures.
		6.67	Expenses were considered IUEEU expenditures which were not in accordance with Section 4.1 of COA Circular No. 2012-003.
26	ERC	10.00	Failure to submit the necessary attachments to support validity of payments made for certain deliverables of the Consultancy Services for the creation of Market Analysis Framework for the surveillance and monitoring of the Wholesale Electricity Spot Market

No.	Agency	Amount (In Million ₱)	Nature of Transactions
			(WESM), contrary to Section 4 of PD No. 1445 and Section 36.f of GAM, Volume I.
		1.85	Extraordinary and Miscellaneous Expenses were not supported with receipts and/or other documents evidencing disbursements, or, in lieu thereof, by a certification executed by the official concerned that the expenses sought to be reimbursed have been incurred for any of the purposes contemplated under Section 47 of the General Provisions of RA No. 11464 or the GAA of FY 2019.
27	FDCP	0.03	Reimbursement of visa fees for foreign travels of agency officials and employees which was deemed covered by the pre-departure expenses as provided in EO No. 77
		4.17	The written justification and information on the role of each member of the delegation including the Consultant sent to international film festivals as required in EO No. 77 were not submitted, thus proper evaluation as to necessity and propriety of the related expenditures was not effected.
28	FPRDI	0.35	The validity and regularity of expenses for meals and snacks could not be fully assessed as the billing statements do not provide information on the number of persons entertained and the details of the menu served, casting doubts on the propriety and regularity of the transaction.
29	FSI	3.24	Sick leave credits were allowed to be monetized without exhausting first the earned vacation leaves. Moreover, monetization of more than 30 days was not supported with the documentation.
30	HLURB-WVRFO	1.98	Disbursements for salaries and wages were not duly supported with complete documentation as required in COA Circular No. 2012-001.
31	ICAB	1.31	Travelling expenses were not properly supported with complete documentation.
32	ILS	0.14	Disbursements for the ICT training attended by ILS officials and employees were not supported with complete documentation, such as Post-Training Reports and Certificates of Appearance.
33	JJWC	0.13	Liquidations of cash advances and reimbursements of traveling expenses were not supported with proper documentation.
34	LRA	0.15	Expenses incurred for privately owned motor vehicles
35	MARINA	17.13	Various disbursements was not supported with adequate documentation, thus casting doubts on the validity and propriety of expenditures.
36	MMDA	0.02	Disposed unserviceable properties still being paid insurance premiums in CY 2019
		0.10	Penalties for motor vehicles due to late registration in LTO
37	MPC	0.10	Payments of honoraria to Board of Trustees were not supported with complete documentation, contrary to the provisions COA Circular No. 2012-001.
38	MTRCB	1.27	Grant of PRAISE Award was not duly supported with the requirements prescribed under CSC Resolution No. 010112.

No.	Agency	Amount (In Million ₱)	Nature of Transactions
39	NAP	1.32	The grant and liquidation of cash advance for travels, as well as reimbursement of traveling expenses were not adequately supported with necessary documents, contrary to Section 4 (6) of PD No. 1445, hence, propriety of transactions was not properly ascertained.
40	NAPOLCOM	8.79	The validity and propriety of disbursements in four regional offices could not be ascertained due to incomplete documentation, contrary to Section 4(6) of PD No. 1445.
		47.00	Payment of various allowances and benefits to officials and employees including contract service and job order personnel without legal basis
41	NAST	0.15	Payments for actual accommodation expenses on local travels were excessive, contrary to Sec. 5(d) of EO No. 77, series of 2019 dated March 15, 2019 and COA Circular No. 2012-003 dated October 29, 2012.
42	NCCA	12.32	Non-validation of NGO's fund utilization reports, contrary to the provisions of COA Circular No. 2007-001
		0.76	The conduct of planning activities held in luxury hotels was deemed extravagant.
43	NCCT	0.70	Absence of the basic supporting documents for payments made to various suppliers, contrary to Sec. 4(2) of PD No. 1445 and of COA Circular No. 2012-001
44	NCMB	0.74	Various transactions were paid despite the lack of the necessary documentary requirements, contrary to Section 4 (6) of PD No. 1445 and pertinent provisions of COA Circular No. 2012-001 at Regions VI, XI and XII.
45	NCMF	162.25	Lack of supporting documents in the payment of Salaries and Wages, Terminal Leave Benefits, RATA and overtime services, contrary to Section 4 of PD 1445 and COA Circular No. 2012-001.
46	NLP	0.26	Payment of registration fees in attending seminars conducted by private institutions exceeded the allowable amount of ₱2,000.00 per day for each participant.
		0.08	The agency incurred expenses for the conduct of activities held in luxury hotel.
		1.00	Unnecessary utility expenses due to Management's failure to bill/charge the private occupants of NLP for their electricity and water consumption
47	NNC	21.29	Payments of advertisements to promote good nutrition were not duly supported with ORs as evidenced by payments made to the payees, contrary to the provisions of Section 4 of PD 1445 and COA Circular No. 2012-001, thus the validity/authenticity and propriety of the transactions cannot be ascertained/determined.
48	NPO	1,668.80	Payment to private printers for the printing of accountable forms and election paraphernalia covered by unauthorized Joint Venture Agreement, and in violation of the NPO-COMELEC agreements that specifically prohibit subcontracting election paraphernalia
		5.72	Printing services subcontracted by NPO to private printers under the guise of Lease/Rental Agreement and

No.	Agency	Amount (In Million ₱)	Nature of Transactions
			even after the expiration of the so called Equipment Lease Agreement, in violation of Section 4.6 of the Guidelines of GPPB Resolution No. 05-2010
		0.14	The hotel accommodation and various meals of RPs during seminars and workshops is extravagant, in violation of COA Circular No. 2012-003 on the prevention and disallowance of IUEEU.
49	NYC	0.06	Payment of seminar fees exceeding the ₱2,000.00 allowable limit per day for each participant, contrary to NBC No. 563.
		3.69	Excessive training expenses that could have been avoided if the Agency limited room reservations to the expected number of attendees, held some of the activities within the office premises, and made use of government/DOT accredited facilities and use the rates in EO No. 77 as basis for budgeting the accommodation of officers/employees/JOs/COs in-charge of in-house trainings
50	OMB	3.77	The share of OMB from the MMFF proceeds for CYs 2016-2019 was granted as cash advance for CF without authority and contrary to COA-DBM-DILG-GCG-DND JC No. 2015-01 dated January 18, 2015.
51	OPAPP	0.17	Expenses for the meals and snacks during meetings were disbursed despite non-submission of sufficient and relevant supporting documents, contrary to COA Circular No. 2012-001 and PD No. 1445.
		0.49	Claims for overtime services rendered were paid despite the employees' incurrence of tardiness, contrary to CSC-DBM Joint Circular No. 2. Likewise, overtime service costing ₱0.49 million was not duly supported with the required documents.
		0.47	Claims of overtime services rendered were paid despite the employees' incurrence of tardiness, contrary to CSC-DBM Joint Circular No. 2.
52	OSG	1.17	Travelling Expenses not supported with the required documents
53	OTC	1.06	Attendance Sheets, Copies of Certificate of Trainings, Airfare tickets and official receipts, Statement of Account, Driver's trip tickets of participants during trainings and seminars were neither attached to the DVs nor submitted to the Audit Team.
		0.18	Payment of transportation allowance to an officer using government motor vehicle and RATA to unqualified designee of a third level position, thus, irregular as defined in COA Circular No. 2012-003 dated October 29, 2012
		0.31	Payment for room accommodation and meals in a five-star hotel during Transport Cooperative Congress in Davao City on March 18-22, 2019
		0.29	Overnight accommodations in five hotels located within Metro Manila for Planning Workshops that can be conducted within office premises
		2.32	Excess meals due to submission of unconfirmed participants to seminars, trainings, meetings, forum, workshops in CY 2019
54	OTS	55.62	Payment of Yuletide Bonus as additional benefits to employees without legal basis

No.	Agency	Amount (In Million ₱)	Nature of Transactions
55	OVP	13.37	Of the audited 174 selected transactions for the accounts Training and Representation Expenses, 112 or 64.37 percent were not supported with the required OR or Sales Invoice from suppliers/service providers as required in Item 3.8 of DBM Circular Letter No. 2018-14 dated December 28, 2018, and Section 4 of PD No. 1445.
56	OWWA	0.35	Fuel, Oil, and Lubricants Expenses are not supported with Monthly Report of Fuel consumption and Official Travels. Meal expenses during meetings for the period January to June 2019 with no clear necessity for the conduct of said meetings and said claims were not supported with complete documents as required in COA Circular No. 2012-001.
57	PAO	10.85	Forty-four (44) contracts of lease lacked the necessary documents.
58	PCAARRD	0.77	Honoraria paid to Members of BAC, BAC Secretariat and Technical Working Group were not in accordance with Section 3.5 of DBM Budget Circular No. 2007-3 and not supported with complete documents.
59	PCG	92.40	Various disbursements not properly documented
60	PCHRD	1.25	Expenses incurred for various non-Science and Technology undertakings were charged to Grants-in-Aid funds, which is irregular under Section 3.0 of COA Circular No. 2012-003.
		0.28	Payments for actual accommodation expenses on local travels were excessive, contrary to Sec. 5(d) of EO No. 77, series of 2019 and COA Circular No. 2012-003.
61	PCOO	0.40	Expenditures were not supported with complete documentation, in violation of PD No. 1445.
		0.16	Travel expenses in excess of the rates authorized, contrary to EO Nos. 298 and 77.
62	PDEA	31.66	One hundred (100) DVs were found to be not supported with ORs.
63	PhilFIDA	0.47	Payments of rental expenses for office equipment were made despite the absence of a contract of agreement between the PhilFIDA and its lessors which was inconsistent with Section 4 of PD No. 1445.
64	PhilRaCom	0.02	Local travels erroneously charged to Training Expenses and no sufficient documents supporting the validity thereof, contrary to Sections 4 (6) and (7) of PD No. 1445
		4.43	Reimbursement of expenses for meals, gasoline, parking/toll fees, among others, by the Chairman and Commissioners is not sanctioned by PD No. 20 creating the PhilRacom.
65	PhilSCA	0.81	The College paid for the terminal leave benefits of employees who retired, voluntarily resigned and separated from the service but with incomplete documentary/ supporting requirements, contrary to COA Circular No. 2012-001, therefore, casting doubts on the validity and propriety on the commutation of terminal leave credits.
		1.30	Monetization of 50 percent or more of accumulated leave credits were paid although same were not supported with complete documentary requirements, contrary to COA Circular No. 2012-001, hence, casting

No.	Agency	Amount (In Million ₱)	Nature of Transactions
			doubts on the validity and propriety on the grants of monetization benefits to the officials and employees.
		0.07	Salamat-Mabuhay Program to retiring employees without legal basis
66	PMO	0.07	Procured GSIS Personal accident Insurance (GPAI) for its officials and employees from Retention Fund in CY 2017 and from Regular Agency Fund in CYs 2018 and 2019, not among the benefits allowed under Article III, Section 6 of EO No. 323, s. 2000 and without approval from the President
67	PNP	415.49	Disbursements in PROs COR, 4B and 11 were not completely substantiated with the required supporting documents and is not in keeping with Section 4(6) of PD No. 1445 and COA Circular No. 2012-001.
68	PNU	1.87	Repairs and maintenance transactions of the PNU-Visayas were paid despite deficiencies in the documents to support the validity, propriety and completeness of the claims, contrary to Section 4(6) of PD No. 1445 and Section 9.0 of COA Circular No. 2012-001.
		0.05	RATA paid to University President and Vice-President in excess of the authorized limit provided in the GAA
		1.91	Expenses incurred in the training/seminar were paid under the name of an official who is not involved in the implementation of the activity and in the absence of any record/list of the participants (proposed and actual), place where the activity was conducted that will support the validity of the claims, as required under COA Circular No. 2012-001 dated June 14, 2012; Honoraria paid is doubtful due to extra teaching load of faculty members within the eight hours a day or 40 hours a week regular official time, contrary to Omnibus Rules Implementing Book V of EO No. 292.
		0.05	RATA paid to the University's President and Vice-Presidents, were found to be in excess of what were authorized under Section 59 of the General Provisions, GAA for FY 2019 or RA No. 11260.
		2.25	Repairs and maintenance transactions for the current year were paid despite deficiencies in the documents to support the claims and the validity of the honoraria paid is doubtful due to lacking documents for the payment to personnel involved as lecturer and project staff in the conduct of Licensure Examination for Teachers review and final coaching for CY 2019, contrary to Sec. 4(6) of PD 1445 and Sec. 9.0 of COA Circular No. 2012-001.
		0.46	Hiring of an expert thru COS to supervise, check and verify the structural integrity and compliance with specification the construction of Innovation Hub (implemented by the DPWH) and Two-storey Classroom Building is deemed unnecessary contrary to Sec. 4.1 of COA Circular No. 2012-003 dated October 29, 2012. The amount withdrawn from the PNU Student Assistance Scholarships and Development Fund (SASDF) was released in favor of Reynaldo Dante G. Juanta representing Dr. Reynaldo G. Juanta and Mrs.

No.	Agency	Amount (In Million ₱)	Nature of Transactions
			Corazon R. Juanta Scholarship Fund without PNU Board Resolution authorizing such withdrawal and such other proofs/receipts that the amount was actually donated by the donor to the PNU for the SASDF.
69	PPA	12.10	Claims for various transactions were paid without proper documentation, contrary to Section 4.6 of PD 1445 and COA Circular No. 2012-001, rendering the regularity and validity of the transactions doubtful.
70	PUP	21.37	Lakbay Aral Incentives granted to faculty members and administrative employees for CY 2019 charged under the Special Trust Fund (STF) without legal basis
71	PVAO	3.72	Validity of various transactions could not be ascertained due to absence or lack of related information and documents to support the transaction which is not in accordance with COA Circular No. 94-013 dated December 13, 1994, Section 3 of COA Circular 2012-001.
72	RCMB-NCR	0.12	Transportation Allowances (TA) received by Officials were not deducted with the proportionate amount corresponding to the number of days they used the government vehicles, resulting in overpayment of TA, contrary to both Section 2.3 of COA Circular Nos. 99-002 and 2000-005.
73	STII	0.06	Disbursements were not supported with complete documentation to establish validity, propriety and reasonableness of the claims.
		0.30	Foreign travel not falling under EO No. 77
74	TCCP	0.07	Various expenses were not supported with complete documentation, contrary to Section 4 of PD No. 1445, as promulgated under COA Circular No. 2012-01, thereby, validity of claims cannot be established.
75	TESDA	4.12	Expenses for ordinary meetings, birthday celebration and the like
		10.58	TESDA incurred expenses for unjustified number of participants in the CY 2019 45 th WorldSkills competition.
		3.11	Honoraria granted to TESDA board members for attending ordinary 59 meetings, and excessive/unauthorized claim of transportation allowance and catering services
		0.53	Honoraria granted to Resource Persons either beyond the maximum limit set by DBM Budget Circular 2007-001 or for trainings conducted with overlapping dates
76	TUP	0.62	Extraordinary and Miscellaneous Expenses in excess of authorized limit provided in the GAA
		0.48	RATA in excess of authorized limit provided in the GAA
		0.41	Excess payment of monetization of leave credits
77	UNACOM	0.13	Claims for local travels of UNACOM personnel were not supported with itinerary of travel.
78	AMPSC	2.10	AMPSC paid the labor component of Infrastructure Projects undertaken by administration through cash advance to Special Disbursing Officer without complete documentation.
79	ASC, CAR	0.51	Reimbursements were not completely documented.
		0.16	Honoraria of employees assigned to special projects/undertakings which are part of their regular

No.	Agency	Amount (In Million ₱)	Nature of Transactions
			functions charged against the funds transferred by the source agencies, contrary to Section 9 of COA Circular No. 94-013 and DBM Budget Circular 2007-02 dated October 17, 2007.
80	ASSCAT, R13	19.13	Payment for monthly salaries of employees from January to September 2019 were not supported by DTRs of the payees and other relevant supporting documents, Likewise, the entire amount of the monthly salaries was credited to the savings account of the payees as early as four days from the beginning of the month, which is a departure from Section 3.2.9, Chapter 3 of the Manual on Position Classification and Compensation.
		0.22	Payment of expenses for catering services during meetings, trainings, seminars, and conferences of the College despite lack of complete and proper documentation.
		0.11	Representation Allowances given to ASSCAT officials designated as Directors in CYs 2018-2019 were not in accordance with Section 7.13.2.3, Chapter 7 of the DBM Manual on Position Classification and Compensation.
		3.14	Monetization of accumulated leave credits was granted to 18 ASSCAT personnel despite not meeting the requirements in Sections 22 and 23 of the Omnibus Rules Implementing Book V of the Administrative Code of 1987 and Section 5.14 COA Circular No. 2012-001.
81	ASU, R6	0.19	Honoraria of officials and personnel as administrative costs out of fund transfers from other government agencies for research projects which is prohibited under COA Circular No. 94-013 and DBM Circular No. 2007-002 dated October 1, 2007
		0.16	Electricity and water of the entire ASU-CFMS Campus, electric bill of the Income Generating Projects of the Campus, and cash advance for expenses on the conduct of networking seminar under the Aklan Research Center for Coastal Studies funded CHED were charged against DOST-funded project TRIMARAN for the Development of a Hybrid Trimaran Fast Craft Passenger Cargo Vessel Using Multi-Engine and Alternative Energy Source from Ocean Waves.
82	BASC, R3	0.34	Payment of travelling allowances for attendance to cultural and athletic activities were approved and paid despite the absence of proper documentation, thus the propriety of the payments was doubtful.
		0.33	Travel liquidations and reimbursements lack documentary requirements, thereby validity of claims for Daily Travel Expense (DTE) could not be ascertained.
		0.25	Athletic and cultural uniform allowance paid to the University employees even without the actual holding of cultural and athletic activities, which was considered irregular
		0.53	Non-adherence to regulations on Monetization of Leave Credits under CSC- DBM JC No. 2-07 and CSC MC No. 16 resulted in excess payments of monetized leave credits amounting to ₱0.53 million.

No.	Agency	Amount (In Million ₱)	Nature of Transactions
		0.11	Excessive claims of DTE contrary to Section 5(a-c) of EO No. 77
83	BSC	0.82	The grant of Mid-year and Year-End Bonus to BSC employees who are on study leave is contrary to DBM Budget Circular Nos. 2016-3 and 4, 2017-2 and 2019-4 dated April 28, 2016, May 8, 2017 and July 5, 2019, respectively.
		0.14	The grant of anniversary bonus for CY 2019 is not in accordance with the provisions of Administrative Order (AO) No. 263 dated March 28, 1996.
84	BatStateU, R4A	1.96	Expenses incurred in attendance to seminars/conferences and special activities were either unsupported with complete documents or contained details inconsistent with the quarterly report on the status of cash advances.
		5.16	Disbursement transactions paid despite incomplete documentation
		2.02	The propriety and validity of payments and set-up for Terminal Leave Benefits could not be fully ascertained as these were not supported with complete documents
		0.34	Thirty (30) DVs paid even without the approval of authorized officials, in violation of Section 4(5) of PD No. 1445 and COA Circular No. 2012-001.
		2.36	Procurement of goods and services and payment of honoraria and allowances for special activities of the Campus amounting to ₱2.06 million and common-used supplies amounting to ₱0.30 million from the DBM-PS, were done through cash advances of unbonded Campus officials, contrary to the Revised IRR of RA No. 9184, COA Circular No. 97-002 and Section 1.1 of COA Circular No. 2012-001, respectively. Furthermore, incomplete documentations were noted, contrary to Section 4(6) of PD No. 1445, thereby casting doubt on the validity of their claims.
		2.72	Monetization of leave credits of faculty members/personnel of the University was not in accordance with Section 22 of the Omnibus Rules on Leave.
85	BSU	0.71	Contract cost for the Construction/ Rehabilitation of the 3-Storey Academic Laboratory Building was above the COA Evaluated Cost by ₱0.71
86	BISU, R7	1.41	Hazard allowance of medical personnel despite the absence of justification/certification on the exposure of these personnel to occupational risks by the nature of their duties and responsibilities
87	BSC	0.24	The grant of honoraria to certain officials were not supported with sufficient documents required under COA Circular Nos. 2012-001.
		13.63	Various disbursements were not submitted nor properly supported with documents required under COA Circular 2012-001 dated June 14, 2012 and Section 4(6) of PD 1445.
		1.32	Grant of CNA Incentives for CY 2019 were not supported with necessary documents to establish the validity of the grant.
		0.01	Payment of internet subscription for the period January 2019 - January 2021 were not duly supported with OR.

No.	Agency	Amount (In Million ₱)	Nature of Transactions
88	BU, R5	3.24	Absence of documents required under Section 4.2.15 of the 2016 HRDP Guidelines supporting the HRDP Status Report, particularly the Official Transcript of Grades at the close of each quarter, term and/or semester, casts doubts on the propriety and regularity of the financial assistance granted to 29 scholars/grantees who claimed to have graduated during the period AYs 2014-2019.
		31.59	Absence of accomplishment reports on the deliverables identified for the non-instruction services of the University Faculty Members during the 2-month Transitory period in the Shift of Academic School Year, from June-March to August-May, pursuant to BU Administrative Order (AO) No. 339, series of 2019 dated May 15, 2019, and Section 4 (6) of PD 1445, rendered the validity and propriety of the disbursements doubtful.
		76.46	The accuracy and completeness of the Academic Load granted to all the Faculty Members of some of the Colleges of the University for the 2nd Semester, AY 2018-2019 and 1st Semester, AY 2019-2020, cannot be ascertained due to the absence of the Consolidated Faculty Workload and Summarized Faculty Load Reports, thus the propriety and validity of the disbursements for salaries for the period were doubtful.
89	BulSU, R3	27.19	Payment of honoraria to teaching personnel with teaching loads in excess of the required loads were approved and paid despite the absence of proper documentation, thus the validity and propriety of said payments were doubtful.
		21.51	Payment of other professional services to faculty members of College of Law, College of Criminal Justice Education and Graduate were approved and paid despite the absence of proper documentation, thus the validity and propriety of said payments were doubtful.
		1.13	Athletic and cultural uniform allowance paid to the University employees even without the actual holding of cultural and athletic activities, which was considered irregular
		1.02	Conduct of Mid-Year Evaluation Report and Planning Workshop in expensive venues
		1.03	Giving of birthday cakes and balloons to its personnel has no legal basis.
90	Cagayan State University (CSU), R2	0.49	Payment of plane/air fare for CY 2019 for employees without approved Travel Order, in violation of Sections 5 and 6 of EO No. 248, as amended by EO No. 298
		0.08	Contract of service personnel were granted cash gift which is contrary to COA Circular No. 2013-003.
91	CNSC, R5	0.97	Cash advance and liquidation for Bench Learning Activity in Dongseo University, Busan, South Korea on June 17-22, 2019 were not supported with adequate documentation, contrary to Section 4(6) and (7) of PD No. 1445 and Item Nos. 1.1.4.2 and 1.2.4.2 of COA Circular No. 2012-001.
		1.28	Cash incentives such as “Panibagong Bukas”, Birthday Cash Gift and Burial benefits granted to CNSC employees are without legal basis.

No.	Agency	Amount (In Million ₱)	Nature of Transactions
		0.11	RATA for CY 2019 paid to the designated Director of Extension Services not entitled to receive RATA pursuant to Item No. 4.2 of DBM NBC No. 404 and Item No. 7.13.2.3.2 of the Manual on Position Classification and Compensation
		3.83	Monetary PRAISE incentive granted to CNSC employees under the PRAISE not in accordance with the guidelines of CSC MC No. 01, s. 2001
		0.06	RATA paid to the Dean of College of Business and Public Administration in CY 2019 in excess of the prescribed rate
92	CapSU, R6	2.20	Honorarium paid to Resource person and requisitions for gasoline were not supported with adequate documentation.
		2.63	Checks for various cash advances were drawn by the Cashier without proper and valid DVs and supporting documents, in violation of Items 5 and 6 of Section 4 of PD No. 1445.
		4.90	Questionable purchase of one unit 45-Seater, brand new school bus due to: (a) the owner's name in the Certificate of Registration was "Aspire Autoparts and Repair Services" and not Cebu Technological University; (b) registration appearing in the record of Land Transportation Office (LTO) was LTO Region 13 instead of LTO Region 7; and (c) several documents not attached to the DV
		16.85	The rules and regulations on Collective Negotiation Agreement (CNA) were not faithfully adhered to causing noted deficiencies which are contrary to Item 5.16 of COA Circular No. 2012-001, Item 5.0 of DBM Circular No. 2019-5 and Amended IRR of EO No. 180 and relevant PSLMC Resolutions.
		1.59	Regular expenses of campuses like water and electricity, office supplies and equipment janitorial supplies, salaries/wages of student assistants, job order personnel/laborer, semi-expendable furniture/ fixture and equipment charged against operation of business type activities of the University.
93	Caraga State University (CSU), R13	0.12	Unnecessary expenses intended during the CSU Family Day due to lack of proper planning and payments were also not properly documented in violation of Section 4(6) of PD No. 1445.
		0.30	Expenses during the culmination activity of the Geo-SAFER Mindanao were inconsistent with Section 2 and 4(3) of PD 1445 and COA Circular No. 2012-003.
94	CBSUA, R5	3.39	Disbursements made by CBSUA–Calabanga and Sipocot Campus covering the period January 1, 2019 to September 30, 2019 were not supported with complete documents, thus the validity and propriety of the claims could not be ascertained.
95	CCSPC, R12	0.50	OT Services paid to officials and employees, including JO personnel, not in accordance with CSC-DBM JC No. 1 s. 2015, and without the required supporting documents as prescribed by COA Circular No. 2012-001
96	CHMSC, R16	0.82	Catering services incurred during school activities without adequate documentation

No.	Agency	Amount (In Million ₱)	Nature of Transactions
		1.55	Salary differentials paid to the designated VP which were computed based on the salary grade of the position, contrary to CSC MC Nos. 06 s. 2005, 40 s. 1998 (as amended by MC No. 15 s. 1999) and 24, s. 2017.
97	CLSU, R3	11.98	Erroneous recognition of excess teaching loads among faculty personnel/excessive payments of honoraria to faculty personnel, contrary to Item 7.13.1, Chapter 7 of the Manual on Position Classification and Compensation; and Item III of the CLSU approved Proposed Revision on Policies and Guidelines on Faculty Workload
		3.78	Inter-agency Transferred Funds intended for Research projects used for payments of incentives, honoraria and other expenses.
98	CMU, R10	0.61	Honoraria paid to the CMU College Admission Test Board and Graduate School Admission Test Board without legal basis
99	CPSU, R16	0.53	Salary differentials paid to the designated Vice Presidents which were computed based on the salary grade of the positions was contrary to CSC MC Nos. 06 s. 2005, 40 s. 1998 (as amended by MC No. 15 s. 1999) and 24, s. 2017.
100	CSU	0.77	Payment of salary differential not supported with the required documents
		4.38	Relevant documents supporting the payment for purchase of goods and equipment were not attached to their respective vouchers.
		0.21	Disbursements for various transactions were not supported with the required documents.
		1.41	Payment of the CNA incentive for FY 2018 was not completely substantiated with supporting documents.
		0.05	Monthly retainer fees of the private legal counsel of CSU were paid without the required written concurrence from COA.
		0.25	Foreign Travel of 12 personnel to participate in the Business of Intellectual Property Asia Forum 2017 in Hong Kong despite the suspension of foreign travels as provided in Section 1 of AO No. 103 and without documents to validate its urgency and extreme necessity
		0.07	Payment for the Fire Safety materials made prior to its actual installation, contrary to Section 88(1) of PD No. 1445, and Sections 4 and 5 of the contract agreement with the contractor
101	CTU	518.26	Several documents necessary in the technical inspection and contract review of 31 on-going and completed projects of the University were not submitted nor attached to the DVs.
		0.16	Hazard allowance of medical personnel despite the absence of justification/certification on the exposure of these personnel to occupational risks by the nature of their duties and responsibilities
		1.09	Financial subsidy and publication incentive given to faculty members out of the Special Trust Fund without legal basis

No.	Agency	Amount (In Million ₱)	Nature of Transactions
		0.23	Honoraria given to faculty members funded out of General Fund and STF not in conformity to the provisions of Section 4 of DBM Budget Circular Nos. 2003-5 and 2007-2 dated September 26, 2003 and October 1, 2007, respectively, and Section 58 of the General Provisions of the GAA of FY 2019
		0.01	Honoraria granted to the Chairman, BS Infotech designate of CTU Daanbantayan Campus not in conformity with Section 58 of the General Provisions of RA No. 11260, the GAA of FY 2019 and pertinent DBM Circulars
102	CVSC, R11	21.55	Payments of Salaries and Wages-Regular to the faculty and staff despite the absence of some necessary supporting documents
		0.15	CNA Incentive for CY 2018 granted to six members of the Board of Regents, contrary to Section 4.3 of DBM Circular No. 2003-6 dated September 29, 2003
		0.27	Twenty-nine (29) faculty members paid to edit students' manuscripts who were not accredited and reaccredited English Critic per Office Memorandum No. 28, contrary to Board Resolution No. 17 dated March 8, 2012
103	DMMMSU, R1	80.89	Various disbursements were not fully supported with necessary documents to establish their validity.
		0.05	Payment of overtime services was made to SLUC personnel despite several deficiencies due to non-adherence with Item 10 of CSC and DBM Joint Circular No. 1, s. 2015, and incomplete supporting documents required under the University President Memorandum dated December 2, 2019, casting doubts on the validity of said claims.
		0.59	Payment of travel allowance to College of Law faculty members without authority, contrary to RA No. 8292, COA Circular No. 2013-003, and Special Provisions of the GAA of FYs 2018 and 2019, casting doubts on the validity and regularity of said payments.
		3.89	The teaching overload formula prescribed under the DMMMSU Faculty Manual, 2011 Edition, used by the NLUC College of Graduate Studies (DMMMSU NCGS) in computing the overpayment of honoraria of professors, was inconsistent with the provision of Chapter 7 of the DBM Manual on Position Classification and Compensation.
104	EVSU, R8	49.41	The validity and propriety of the recorded transactions under account CIP-Buildings and Other Structures are doubtful due to lack of supporting documents to the claims, contrary to Section 4 (6) of PD No. 1445.
105	GSC, R6	0.01	Payment of honorarium of a Resource Speaker lacked complete supporting documents.
		0.86	Overstated accomplishment on the Construction of Academic Building with Laboratory Facilities and Equipment, thus payments were in excess of the actual accomplishment.
106	ISAT-U, R6	0.01	Payment of honorarium of a Resource Speaker lacked complete supporting documents.
		0.99	Irregular expenditures on the conduct of Industry Visit of the Dumangas Campus, contrary to COA Circular

No.	Agency	Amount (In Million ₱)	Nature of Transactions
			No. 2012-003 dated October 29, 2012, RA 9184 and Section 4 of PD No.1445
		0.82	Fund Transfer intended for the Administrative Cost to implement TES for Filipino Students program was utilized for the payment of honoraria of officials and personnel of the University.
107	ISCOF, R6	0.04	Salaries of Part-Time Faculty Members outside of their faculty workload and without adequate documents
		0.07	Honoraria during BOT Finance Committee Meetings for CYs 2018 to 2019 without legal basis
		0.27	Excessive training expenses due to failure to confirm attendance for participants
		0.22	Disbursement for meals during the sports activities despite of provision for food allowance.
108	ISPSC, R1	0.35	Procurement of costumes, props and meals, and incurrence of other expenses during the Kannawidan Festival 2019 were not supported with complete documentation, casting doubts on the regularity and validity of the transactions
		8.49	Six infrastructure projects undertaken by the College through competitive bidding and small value procurement were not supported with complete documentation, casting doubt on the regularity of the transactions.
109	ISU, R2	0.78	Validity of the payments for overtime services of ISU Roxas Campus could not be established due to the deficiencies in the supporting documents attached to the DVs.
		0.67	Payment for accommodation of employees travelling to Manila in addition to DTE
		0.04	Surcharges due to late payment of electricity expenses
		0.12	Conduct of year-end planning, review and workshop at Hundred Islands, Alaminos, Pangasinan
110	LSPU, R4A	1.00	DVs for payment of honoraria to personnel assigned to special projects funded by the Department of Science and Technology/Philippine Council for Agriculture, Aquatic and Natural Resources Research and Development (DOST/PCARRD) and the National Research Council of the Philippines (NRCP) were not supported with relevant documents.
111	MinSCAT, R4B	2.45	Payments and reimbursements for meals and snacks during trainings, workshops and programs and payments for overtime services were not supported with complete documents.
112	MMSU, R1	5.29	Salary and bonus differentials and RATA granted to designated Vice Presidents, Deans and Director of the University, contrary to Rule IV, Section 13, Paragraph C(7) of CSC MC No. 24, s. 2017 and Supreme Court Decision in the case of Dimaaudal vs. COA, G.R. No. 122197, rendering the payments invalid
113	MSC, R4B	4.20	Honoraria paid to various University personnel assigned in projects funded by other agencies were based on a fixed monthly rate provided in the approved budget for each project instead of the actual man-hours rendered for the project.
114	MSU System	0.57	Honoraria to the chairs and members of the Special Bids and Award Committee and Technical Working

No.	Agency	Amount (In Million ₱)	Nature of Transactions
	Main, MSAT, LNAC, MSU BUUG, LNCAT, LNAC, GSC, IIT, Naawan		Group in excess of the rates prescribed under NBC No. 2004-5A
		4.65	Honoraria to officials and employees designated as officers or members of various special committees for purposes in line with their mandated functions tantamount to double compensation, and in violation of the provisions of Section 58 of the General Provisions of RA No. 11260 of FY 2019.
		15.38	Payments for repairs and maintenance of various office and school buildings, water system, government vehicles and equipment of MSU-Main Campus and MSU-Lanao del Norte Agricultural College were made without the prescribed documentary requirements. Thus, the adequacy and effectiveness of the internal control system of the agency in handling repair and maintenance of its properties are deemed insufficient.
		0.54	RATA paid to the University Officers for the period January 2018 to December 2019 exceeded the rates provided under DBM NBC No. 548 dated May 15, 2013, and Section 54 of the GAA of FYs 2018, 2019 and Section 55 of RA 10964.
		24.27	Cash Advances were not supported with proper documentations.
		1.78	Payment for terminal leave benefits and monetization were not supported with complete documentation.
115	NIPSC, R6	42.93	Submitted contracts for the Infrastructure Projects were devoid of some documentary requirements specified in Section 3.1 of COA Circular No. 2009-001 and Section 9.1 of COA Circular No. 2012-001.
116	NLPSC	1.26	Partial payments of CY 2019 CNA Incentive were not supported with complete documents, casting doubt on the regularity of the transactions.
117	NMP	117.29	Absence of necessary supporting documents and deficiencies on the disbursements covering the period from January 1 to December 31, 2019 cast doubt on the legality and validity of the transactions made.
118	NMSCST, R10	1.67	Payments for the CNA Incentive were made without complete supporting documents to the DVs, contrary to COA Circular No. 2012-001.
119	NONESCOST, R16	2.40	Unauthorized payment for the awards and incentives of the faculty and employees, contrary to COA Circular No. 2000-002 and the CSC guidelines on PRAISE
		0.51	Salary differentials paid to the designated VP which were computed based on the salary grade of the position contrary to CSC MC Nos. 06 s. 2005, 40 s. 1998 (as amended by MC No. 15 s. 1999) and 24, s. 2017
		2.34	Non-essential expenses paid on various activities without adequate documentation
		0.50	Salary differentials paid to the designated Vice Presidents which were computed based on the salary grade of the positions was contrary to CSC MC Nos. 06 s. 2005, 40 s. 1998 (as amended by MC No. 15 s. 1999) and 24, s. 2017
		2.41	Awards and incentives paid to faculty and employees, contrary to COA Circular No. 2000-002 and the CSC guidelines on PRAISE

No.	Agency	Amount (In Million ₱)	Nature of Transactions
120	NORSU, R16	1.36	Salary differentials paid to the designated Vice Presidents which were computed based on the salary grade of the positions was contrary to CSC MC Nos. 06, s. 2005, 40 s. 1998 (as amended by MC No. 15 s. 1999) and 24, s. 2017
121	OMSC, R4B	3.83	Overtime services paid to faculty and staff of the College, contrary to COA Circular 2012-001 and CSC and DBM JC No. 2, series of 2015.
122	PSU	3.59	Payments of monetization of leave credits were not supported with complete documentation and were noted to have deficiencies.
		0.28	Excess honoraria paid for the overload services rendered by the faculty members of the University under the Undergraduate Program in CY 2019 not in accordance with Chapter 7, Section 7.13.1 of the DBM Manual on Position Classification and Compensation Scheme for Faculty Positions (PCCSFP) in SUCs.
123	PCSDS, R4B	2.61	Advances granted to consultants for the six consultancy contracts in excess of the allowed fifteen percent (15%) of the contract amount to cover the cost of mobilization and failure to deduct from the progress payments the recoupment of advance payments is contrary to Annex F of the Revised IRR of RA No. 9184, thus exposing government funds to possible loss or non-recovery of the excess amounts paid to the Consultant in case of default. Moreover, the propriety of the said contracts cannot be ascertained due to lack of supporting documents.
		0.47	Per diem/allowances granted to the members of the Council in the rates in excess of that prescribed under Budget Circular No. 2003-6 dated September 29, 2003 and to PCSD Adjudication Board (PAB) without legal basis
124	PMMA, R3	1.57	Overpayment of honoraria to faculty members due to increase computation inconsistent with the guidelines set forth under the Position and Classification and Compensation Scheme for Faculty Positions in SUCs, Magna Carta for Teachers and in the Reduced Teaching Load for Faculty Assigned with Workload Other Than Teaching
125	PRMTU, R3	0.34	Cash advances for special purpose of an Accountable Officer disclosed various deficiencies contrary to rules and regulations, thus rendering doubt on the validity and propriety of the payments therefrom.
		0.16	Services paid to regular employees allowed to teach/lecture in the Graduate School for subjects outside of the approved curriculum in the Graduate School Program
126	PSAU,R3	26.54	Honoraria of Faculty Members for Extra Teaching Load in the undergraduate program without supporting documents, contrary to Section 4(6) of PD No.1445
		1.08	Assessment and Training Fees paid to Faculty Members for assessment and training activities performed during regular office hours under Section 7 and 8, Article IX-B of the Philippine Constitution
127	SDSSU, R13	0.09	Per diem paid to the Chairman and the Members of the BOR without legal basis

No.	Agency	Amount (In Million ₱)	Nature of Transactions
		0.37	Hazard allowance granted to SDSSU nurses without DOH approval that they are exposed to great danger, occupational risks, perils to life, and physical hardships under Section 3.2 of DBM-DOH Joint Circular No. 1, s. 2016
128	SLSU, R4A	1.80	Payments for Repairs and Maintenance Expenses of SLSU Main and SLSU-JGE in CY 2019 were paid even with incomplete documentation.
129	SPAMAST, R11	58.82	Payments of Salaries and Wages-Regular to the faculty and staff as at December 31, 2019 were made despite absence of supporting documents.
130	TAU, R3	0.50	Payments of honoraria to the University officials and personnel did not have the necessary supporting documents giving doubts on the validity and regularity thereof, contrary to COA Circular No. 2012-001 dated June 14, 2012 and DBM BC No. 2007-2 dated October 1, 2007.
131	UEP, R8	8.50	Fiduciary Fund collections intended for the purchase of laboratory equipment/books were utilized other than the specific purpose for which the collections were received.
132	UNP, R1	1.12	Expenses charged against the Petty Cash Funds under the different types of Funds of the University were not supported with basic documentary requirements.
133	URS, R4A	0.94	Payment for fuel, oil and lubricants were unsupported with properly accomplished driver's trip tickets and other documentations.
134	USeP, R11	0.53	Payment of allowances to Directors and University Secretary without legal basis
135	USTP	4.76	Payment of honoraria for teaching overload were incompletely supported documents.
		0.30	Expenditures for communication allowance and those ranging from ₱500.00 to ₱4,000.00 per month for each official or employee of the University do not have legal basis and the required documentation, contrary to item 6.2 of COA Circular 2012-001 and Sections 2 and 4 (6) of PD No.1445.
		41.56	Contracts lacked the required documentary and information contrary to Section 12.3, 21.2.1(b), 37.1.6, 37.4.2, 34.2, 13.1.1, 39.2, 20.2, and 29 of RA No. 9184 and its Revised IRR.
136	WMSU, R9	0.20	Irregular, unnecessary and excessive claim of DTE, contrary to Section 5(a-c) of EO No. 77, and insufficient documents of travel liquidations and reimbursements, hence validity of claims for DTE could not be ascertained
		2.70	Expenses incurred for CY 2019 for overtime services rendered by its officials and employees were not in consonance with CSC-DBM JC No. 02 dated November 25, 2015 and AO No. 6 dated September 19, 2017.
		0.72	Non-adherence to regulations on Monetization of Leave credits under CSC-DBM JC No. 2-07 and CSC MC No. 16 resulted in excess payments of monetized leave credits amounting to ₱0.720 million.
137	WPU, R4B	0.21	Claims for honorarium were not adequately supported with the required documents under DBM BC No. 2007-

No.	Agency	Amount (In Million ₱)	Nature of Transactions
			2 dated October 1, 2007, contrary to Section 4(6) of PD No. 1445, thus propriety of the amounts paid could not be established.
		0.21	Honorarium paid for works rendered inherent to the position of the payees and not an addition to, or over and above the regular workload not adequately supported with the required documents under DBM BC No. 2007-2 dated October 1, 2007
		4.20	Honoraria paid to various University personnel assigned in projects funded by other agencies were based on a fixed monthly rate provided in the approved budget for each project instead of the actual man-hours rendered for the project.
138	ZCSPC, R9	0.05	The College has no formal and established internal policy on the entitlement of communication allowance to its officials, resulting in: a. Unauthorized payment to officials; b. Four Directors/Dean not paid in CY 2019 out of the 15 officials authorized by the BOT to receive the allowance; and c. Payment was not supported with complete documentation.
		2.75	Irregular payment of monetization as it is inconsistent with CSC-DBM JC No. 2-97, CSC MC No. 16 and the Omnibus Rules on Leave.
		0.39	OT pay was granted despite having no specific overtime work program, duration and quantified accomplishments.
139	ZSCMST, R9	1.40	Payment of monetization of accumulated vacation leave balance is contrary to Sec. 22 and 23, Rule XVI of the Omnibus Rules Implementing Book V of EO No. 292.
Total		32,548.45	

In addition, the following practices of a number of NGAs also affected the reliability of expense accounts and violative of existing laws, rules and regulations:

Condition	No. of Agencies	Amount (In Million ₱)
Prior-year's expenses charged to current year budget, thus overstating the current year's expenses	17	42.21
Erroneous recording of expenses or misclassification of accounts resulting in the misstatement of the affected accounts	46	2,108.51
Expenses paid out of Special Trust Funds instead of regular appropriations or vice versa	11	14.58
Unrecorded Expenses	12	3,053.69
Non-maintenance of subsidiary ledgers (SLs) for Expense accounts	2	521.51
Other practices affecting the reliability of the Expense account:		
1. Loss of biological assets due to various diseases	1	0.69
2. Non-disclosure of total Bill of Lading (BL) on goods not lodged in the Electronic-to-Mobile (E2M)	1	Not stated
3. Unreconciled interest on foreign loans	1	2.05

Condition	No. of Agencies	Amount (In Million ₱)
4. Unpaid accounts to service providers based on the statement of accounts which affect the reliability of the unpaid communication and utility expenses	1	2.14
5. Expenses charged to budget/funds such as Business Related Fund (BRF) , Maintenance and Other Operating Expenses (MOOE), Faculty and Staff Development (FSD) Fund, and Internally Generated Fund (IGF) instead of regular appropriations	5	3.68

Recommendations

The Auditors recommended the following courses of actions:

- a) Submit to the Audit Team the DVs sub-project agreements, together with supporting documents and all required documents and justifications/ explanations to establish the validity of the claims pursuant to Section 100 of PD No. 1445 and Section 12, Chapter 6, GAM, Volume I, and COA Circular No. 2009-001;
- b) Request from the LTO authenticated copy of the corrected Certificate of Registration duly supported with copies of documents as proof of change of its ownership and submit the same to the Audit Team;
- c) Refrain from using income for unauthorized or irregular expenditures to prevent suspensions or disallowances in audit;
- d) Comply with the NGP guidelines implementation manual in the hiring of extension officers and forest rangers;
- e) Seek the approval of the Board of Regents on the proposed amended/revised Internal Policy Guidelines of CLSU on the use of Administrative Cost under the Indirect Project Costs which include (a) giving of incentives to Project Proponents/Project Leaders; and (b) instruct the Project Leaders and other University officials involved in the execution of research programs/projects to strictly adhere with the specific items of expenditures contained in the Line Item Budgets (LIBs) or follow the prescribed procedures in the reprogramming thereof, if extremely necessary for the successful implementation of the program/project;
- f) Account and identify properly the expenditures being charged in the TRIMARAN project in accordance with the principle of disbursements under Section 4 (3) of PD No. 1445; and 2) Cease from charging regular expenditures of the whole Campus, Income Generating Projects and other projects funded by other government agencies on the fund specifically allotted for the TRIMARAN projects; 3) Ensure that the funds of the TRIMARAN project are obligated for the direct and indirect costs of the project as defined under DOST GIA Guideline and specifically detailed in the Line Item Budget of the Project; and Properly charge the expenditures of the Campus on the appropriate fund they were allocated and responsibility center they were assigned in accordance with regular budgeting and accounting rules and regulations;
- g) Observe prudence in the preparation of budget and approval of obligations in accordance with the provisions of CMO No. 20, Series of 2011 dated August 4,

2011. Ensure that the amount budgeted for the Fund is fully utilized so as not to deprive the intended beneficiaries of the benefits that could be derived therefrom;

- h) Discontinue payments of unauthorized/illegal/irregular/excessive expenses in the form of salaries, honoraria, RATA, overtime and other allowances like CAN Incentives, holiday bonus, cash gifts, meal allowance, hotel accommodation, and incentives and other benefits out of the General Fund, Special Trust Fund and Fund transfer including promotional material without legal basis, as well as excess/over payments made to officials and employees beyond the approved rates, and require the refund of the amounts paid. Comply with the provisions of the pertinent laws, rules and regulations covering disbursements such as DBM NBC No. 404, DBM Budget Circular No. 2003-6 dated September 29, 2003, 2016 Revised IRR of RA No. 9184, Sections 4.1 and 119 of PD No. 1445, EO No. 77, COA Circular No. 2012-003 dated October 29, 2012, COA Circular No. 2012-001 dated June 14, 2012 , among others;
- i) Require the submission of documentary requirements in conformity with laws, rules and regulations and thoroughly review all the supporting documents before certifying on the completeness of all the supporting documents and liquidation reports and propriety of the amount claimed;
- j) Comply with the provisions of Section 4 of PD No. 1445, COA Circular Nos. 2012-001 and 97-002 in the grant and liquidation of cash advance;
- k) Submit the basis for the excess fuel subsidy credited to the accounts of the eligible franchise holders and comply with the reporting requirements to enable the Audit Team to conduct an evaluation of the program implementation;
- l) Prepare the necessary journal entries to correct the errors/ misclassifications or omissions, and henceforth, observe the proper recording of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations as well as maintain SLs in prescribed form in order to support the accuracy of the account balances appearing in the FSs;
- m) Immediately request for additional budget allocation, should there be a need to, to avoid delay in the payment of personnel benefits;
- n) Strictly adhere to the provisions of COA Circular No. 2018-001 by ensuring that prior year's claim on personnel benefits are filed within 15 calendar days following the current year when the obligation arose and to ensure complete documentation before payment of transactions;
- o) Submit all data on unlodged BLs to the Revenue Accounting Division (RAD) for proper disclosure in the Notes to Financial Statements;
- p) Make representation with the service providers and clarify the causes of accumulation of unpaid balances which continue to incur charges and penalties; to reconcile their records with that of the service provider to ensure the accuracy of the billings; and forward the billing statements immediately to the concerned

office to facilitate the payment of accounts, otherwise, the penalties and charges incurred for late payment shall be for the account of the persons responsible;

- q) Properly charge the expenses against the fund to which they are directly related and authorized.

- 8. In 29 agencies and SUCs, deficiencies in handling collection amounting to ₱2.99 billion, included unrealized/foregone revenue or uncollected and unrecorded income, among others, due to adoption of cash basis for accounting revenue, slow disposition of seized cargoes, inaction or failure to intensify collection, failure to report collection, inadequate records, poor monitoring, lack of coordination between concerned offices, delayed remittance, absence/non-renewal of contract for some lessees, failure to impose the prescribed rental rate and enforce available sanctions under the contract, and inaction on idle income generating projects.**

No.	Agency	Program/Project	Amount (In Million ₱)	Condition
1	AFP-GHQ	Miscellaneous Income	35.78	No documents to determine the correct balance of the fund
			0.63	The AFPMATF Management failed to impose liquidated damages on the late completion of project, contrary to the provisions of the Approved Contract Agreement and Revised IRR of RA 9184.
2	BI	Administrative Fines	272.00	Refusal of airline companies to pay the ₱50,000.00 fines imposed prior to the issuance of DO No. 026 because of question raised on the legality of Unnumbered Memorandum dated April 12, 1999 increasing the fines from ₱500 to ₱50,000.00
3	BOC		20.76	The Bureau had not achieved its collection target of ₱662.17 million for CY 2019 with only ₱640.28 million collected during the said period due to, among other, lack of monitoring and collection of unpaid assessments and unlodged bill of lading/slow disposition of seized/abandoned/ overstaying goods/ cargoes/ Non-forfeiture, collection and close monitoring of due and demandable bonds/ Lower imports of non-oil and crude oil/Lower foreign exchange rate/Lower average tariff rate on dutiable non-oil imports/ and Lower price of crude oil.
		Sale of abandoned goods	43.33	Goods declared to be unsafe for human consumption and no longer feasible for Negotiated Sale
4	BWSC SAP/SAWP	Distribution of Cash Bonus Funds	336.86	Failure to record in the books as Trust Fund-Other Receivables and monitor the undistributed CBF by

No.	Agency	Program/Project	Amount (In Million ₱)	Condition
				Mills, Planters Associations /Planters Members that should have been forfeited and accrued for socio-economic programs.
5	DENR	Uncollected/Foregone revenue	22.27	Unapproved Foreshore Lease Application (FLA)
6	DepEd	Income from rental of NEAP facilities	1.47	Income is being recognized once collection is received.
7	DOF		0.24	Photocopied deposit slips (DS) support the RCD, and incompletely and incorrectly accomplished Order of Payments (OPs), contrary to Section 39, PD No. 1445
			N/A	Unofficial transfer of custody of check books to unauthorized personnel, contrary to Section 101, Chapter 5, PD No. 1445
8	DOTr	Law Enforcement and Traffic Adjudication System (LETAS)	55.54	Confiscated 45,588 driver's licenses (DLs) and 9,951 motor vehicle plates since CY 2000 and onwards with an estimated cumulative fines and penalties remained unclaimed/unredeemed by the owners as of to date but some apprehended drivers and motor vehicle owners were verified to have been allowed to renew their DLs and register motor vehicles with duplicate plates, despite non-settlement of their existing violations, pending cases and alarm status within the LTO's LETAS, resulting in lost revenues for the government.
		MRT3	2,095.00	The declining revenue collections of the MRT3 of ₱0.408 billion in CY 2019 with CY 2015 as baseline data resulted in increased amount of Government Subsidy for Mass Transport for equity rental fees of ₱2.10 billion which is an indication of the MRT3's inability to self-finance its obligations to the Metro Rail Transit Corporation.
9	DSWD	Sustainable Livelihood Program-National Training School for Boys	10.88	Unsettled balance due from LGUs representing cost of care and maintenance of wards at the National Training School for Boys due to failure to intensify collections.
		Self-Employment Assistant-Kaunlaran (SEA-K)	5.97	Payments of Associations not remitted by the former Project Development Officers of DSWD FO III
10	ERC	Unrecorded Revenue from Permit Fees	5.31	Copy of decisions were received by Accounting Division only upon receipt of payment.

No.	Agency	Program/Project	Amount (In Million ₱)	Condition
11	HLURB	Fine and penalties	11.04	The Agency only recognized income upon collection/lack of yardstick in the determination of rates of fines and penalties to be imposed to the erring Developers; Rates provided are decided arbitrarily.
12	ICAB	Target revenue	17.04	Non-attainment of revenue target of ₱35.07 million for CY 2019 as only ₱18.02 million or 51 percent was attained; Non-recognition of actual collections without the BTr certification, and existence of uncontrollable factors relating to adoption procedures affected the cash programming of ICAB to support primarily its MOOE and CO requirements.
13	PA	Unpaid/ unbilled rental income from concessionaires	0.61	Poor monitoring
14	PCG	Sale of bidding documents	5.54	Non-awareness of the regulation
			3.02	Unliquidated damages for delayed deliveries, overpayment of contract cost and under deduction of retention money
15	PhilSCA	Interest income	0.59	Non-recognition or delayed recording of interest income
16	PNU	Tuition Fee	13.46	Revenue recognition only upon collection of cash and not upon billing
17	PSHS-WVC	SEA-K Revolving and Settlement Fund	5.82	Receivables from 41 defaulting scholars remained uncollected to be refunded who did not pursue enrollment
18	TUP	Rental Income from Income Generating Projects (IGP)/ overdue account of concessionaires/penalties	5.22	Non-implementation of the policies on IGPs; non-enforcement of the pertinent provisions of the Contract of Lease between the TUP and stall owners/ concessionaires; inadequacy of control in the monitoring and non-collection of unpaid accounts and non-maintenance of adequate records by the Office of the Resource Generation (ORG.)
19	ASC, CAR	Business Income	1.60	Failure of the coordinators to furnish the Accounting Unit with copies of bills to debtors of the canteen and dormitory
20	BISCAST, R5	Commercial space - Income Generating Project	-	Several commercial spaces owned by the BISCAST for lease/rent to private entities/individuals remained vacant/ unoccupied since its completion in March 2019.
21	CTU, R7	Rent income	0.03	Failure of Management to collect the correct amount of rent

No.	Agency	Program/Project	Amount (In Million ₱)	Condition
22	DOSCST, R11	School fee	3.42	Erroneous recording of collections
23	IFSU, CAR	Direct deposits to the bank by the IFSU client	4.91	Management's inability to trace the depositors/payors and the nature of the deposits
24	JHCSC, R9	Tuition Fees	1.42	Non-adoption of accrual method in recognizing income
25	NEUST, R3	Revenue from Income Generating Projects-Rental Income	2.25	Leniency of management in imposing the available sanctions in the Contract of Lease and absence/non-renewal of contracts of some lessees
26	MinSCAT, R4B	IGP	0.22	Adoption of cash basis for recording revenue
27	MPSPC, CAR	IGPs	1.53	Debtors include Job Order employees whose contracts were not renewed by the College, employees who already retired, and those from other government agencies.
28	PSAU, R3		1.30	The Graduate Studies Coordinator failed to account the collections from tutorial, comprehensive examination, proposal and final defense fees, that were not officially receipted and recorded in the books of the University, contrary to Section 7(f) of RA No. 10605, COA Circular No. 2002-002 and Section 68, 69 and 101 of PD No. 1445, thus exposing the public funds to risk of loss through theft or robbery and misuse.
29	ZSCMST, RO-9	School fee	0.60	Non-submission of documentary requirements within the required deadline due to voluminous scanning of admission form
Total			2,985.66	

Recommendations

The Auditors recommended the following courses of actions:

Agency	Audit Recommendation
DOTr	<p>a) Establish stringent monitoring mechanism on confiscated drivers' license and motor vehicle license plates. Put on alarm all unsettled violations of traffic rules and regulations and reject succeeding applications by the owners for renewal of driver's licenses and vehicle registration until such time that the corresponding fines/penalties are paid by them, including the auxiliary penalties thereon; and fast track the review and approval of the proposed LTO Policy on the disposal of unclaimed/unredeemed Driver's licenses and MV license plates which have been stored in the warehouse to free the premises of the Custodial Unit with adequate space for future storage requirements; and</p> <p>b) Monitor the rehabilitation works of Sumitomo Corporation to ensure timeliness of contract implementation as this will significantly impact in the increase of passenger ridership and eventually result in more revenue collections that could augment the depleting government subsidy for equity rental fees.</p>
For other agencies	<p>a) Intensify collection efforts by sending demand letters for the settlement by LGUs of overdue and current account and of underpayment of developers, unpaid rental and long outstanding accounts of concessionaires/stall owners and overdue receivables from scholars and the corresponding fines and penalties;</p> <p>b) Impose sanctions provided in the lease agreement/contract and/or rescind/revoke the contracts/permits of delinquent stall owners/concessionaires;</p> <p>c) Comply with existing rules and regulations for accounting and reporting income;</p> <p>d) For the BOC to comply strictly with the provisions of Section 1144 of the CMTA on the immediate disposition of perishable goods and BOC Unnumbered Memorandum dated August 13, 2004 to ensure that revenue generated from such goods are optimized;</p> <p>e) For the BI to make representation with DOJ for the immediate resolution of the issue regarding legality of the ₱50,000.00 fine imposed against airlines for violations to generate additional revenue to the government;</p> <p>f) Revisit guidelines for the treatment and recording of unrecorded collections without the BTr certification, in order to ensure proper presentation of income in its reports during the period in which it actually relates; and</p>

Agency	Audit Recommendation
	g) Consider in target setting the emergence of uncontrollable circumstances and other factors affecting attainment of goals/objective.

Yolanda Funds

- 9. Release of assistance to typhoon Yolanda victims were delayed by 45 to 206 days or funds remained unutilized or with substantial balances or implementation deficient in 10 agencies due to, among others, delayed submission of liquidation reports or donations not properly accounted in the books, or not properly used or with documentary deficiencies.**

No.	Agency	Audit Observations
1	CHED	Deficient implementation of the Yolanda financial assistance program by CHED-CO and CHEDROs IV-B, VI, VII and VIII intended for the government employees and students affected by Typhoon Yolanda and the 7.2 magnitude earthquake, contrary to the provisions of the Deed of Donation (DOD) and the Yolanda Guidelines, CMO No. 56, Series of 2017 and pertinent provision of COA Circular No. 2012-001 dated June 14, 2012, thus the objective of the program was not fully attained.
2	COMELEC	Financial assistance amounting to ₱7.50 million intended for the COMELEC employee-beneficiaries representing the 2nd tranche of the Yolanda Funds was released 45 to 206 days beyond the period prescribed under Section 4.2 of the Guidelines on the Release and Liquidation of Financial Assistance from the President Social Fund (PSF) to Government Employees Affected by Typhoon Yolanda and the 7.2 Magnitude Earthquake, thus, timely and effective delivery of financial assistance to beneficiaries were not attained. Moreover, the unutilized balance of the Yolanda Funds amounting to ₱0.11 million was not returned to the Office of the President, contrary to Section 6.7 of COA Circular No. 94-013 dated December 13, 1994.
3	DepEd	Funds received by DepEd CO intended as financial aid to Typhoon Yolanda aggregating ₱21.86 million remained unutilized as of December 31, 2019. DepEd RO VIII, the amount of ₱0.13 million remained unutilized and the liquidation reports submitted lack the necessary supporting documents. Cash donations amounting to ₱1.63 million were not properly accounted in the books of the DepEd NCR, not deposited to the BTr and inaptly disbursed with a total amount of ₱0.29 million, of which ₱0.26 million run contrary to pertinent laws, rules and regulations governing transactions relative thereof.
4	NMP	Out of the total funds of ₱13.10 million received by the NMP from the US Embassy for Restoration of the Early 18th La Immaculada Concepcion Church in Guiuan, Eastern Samar, ₱11.18 million or 85 percent was utilized, leaving a total of ₱1.92 million or 15 percent unutilized balance for the period covering CYs 2016 to 2019. Also, various Liquidation Reports amounting to ₱2.04 million from CYs 2016 to 2019 were not yet submitted by the Accounting Section as at audit date.
5	PhilFIDA	The retention money for various construction projects in RO VIII was not properly deducted resulting in the overpayment of the final billing amounting to ₱0.96 million. Moreover, liquidated damages were not deducted despite delays noted amounting to ₱0.36 million and unreleased second tranche for the financial assistance.
6	PMS	Lack of a systematic monitoring tool on the submission of liquidation documents of concerned NGAs and GOCCs, resulted in the considerable delay in the release of the second tranche financial assistance for the 22,403 beneficiaries of the Typhoon Yolanda.

No.	Agency	Audit Observations
7	CapSU	Warranty securities were not posted for procured goods and 82 completed infrastructure projects charged to Yolanda Fund, contrary to the Revised IRR of RA No. 9184; and failure of the University to observe the timelines in issuing the Certificates of Final Acceptance for said projects, thus the period of coverage of performance security posted is not maximized.
8	GSC	Deficiencies on documents supporting the procurement of goods amounting to ₱1.11 million were observed, contrary to pertinent provisions of the IRR of RA No. 9184. Further, the contracts and all the documents forming part thereof were not furnished to the Auditor within five working days from execution, contrary to Sec. 3.1.1 of COA Circular No. 2009-001. Liquidated damages were not imposed on the billings of the contractors despite delay in the completion of various projects costing ₱14.49 million and from payments to suppliers of various equipment amounting ₱2.23 million, contrary to Section 8.1, Annex E and Section 3.1, Annex D, of the Revised IRR of RA 9184, respectively, to the disadvantage of the Agency.
9	ISCOF	Payments for Building Projects out of Yolanda Funds amounting to ₱16.03 million were made to contractors despite insufficiency of supporting documents contrary to Section 4(6) of PD No. 1445, thus propriety and validity of disbursements may not be ensured.
10	NIPSC	Fishpond Buildings 1 and 3 amounting to ₱1.45 million were unutilized as of July 31, 2019, contrary to Section 2 of PD No. 1445.

Recommendations

The Auditors recommended the following courses of actions:

- a) Establish a systematic tool to monitor the submission of liquidation reports pertaining to the grant of financial assistance to government personnel affected by Typhoon Yolanda and the 7.2 magnitude earthquake; Impose stringent measures to concerned government agencies who failed to submit liquidation reports; and conduct site inspection and validation immediately upon evaluation of the liquidation reports for the full release of assistance to help ease the lives of the victims;
- b) Make representation with the employee-beneficiaries' heirs for the submission of bank accounts for the immediate release of the financial assistance due them; return the unutilized balance of the Yolanda Funds to the Source Agency, as required under Section 6.7 of COA Circular No. 94-013; and submit a copy of the OR issued by the Source Agency evidencing refund of unexpended/unutilized balance of fund transfer as prescribed under Item 3.1.2 of COA Circular No. 2012-001;
- c) Submit liquidation reports and all required/missing documents relative to the disbursements of funds received for Yolanda victims irrespective of source including justification/explanation for noted deficiencies;
- d) Direct the officials and employees to settle immediately the disallowance. Audit disallowances not appealed within six (6) months from receipt thereof shall become final and executory as prescribed under Section 48 and 51 of PD 1445;
- e) Strictly observe and deduct the proper and correct amount of retention money on infrastructure projects as provided in Annex E of the Revised IRR of RA No. 9184; and impose and collect liquidated damages due to the contractor for any delay in

the completion of the projects in accordance with Item 8.3 of Annex E of the Revised IRR of RA No. 9184;

- f) Require the accountants to ensure completeness of documentary requirements to support payments to contractors in accordance with Section 4(6) of PD No. 1445 and Section 9.1.1 of COA Circular No. 2012-001 so that propriety and validity of disbursements may be ensured and suspensions and disallowances avoided in audit;
- g) Strictly comply with the provision of the Revised IRR of RA No. 9184 and any amendments thereto to include posting of warranty security in the form of retention money or special bank certificate as a requirement in the contract and enforce compliance on the issuance of Certificate of Final Acceptance after the expiration of the one year defects liability period and the posting of applicable Warranty Security after final acceptance of infrastructure projects, in consonance with Section 62.2.3.3 of the Revised IRR of RA No. 9184; and
- h) Strictly comply with Revised IRR of RA No. 9184 procurement guidelines including posting of required warranty securities; Instruct the concerned official to furnish to the Auditor the contracts and supporting documents within five working days after the contract execution.

Marawi Funds

10. Funds amounting to ₱71.48 million remained unutilized due to erring suppliers/contractors, unsupportive partner LGUs, while transactions by other agencies were either not sufficiently documented or not in accordance with existing laws or regulations.

No.	Agency	Audit Observation
1	BFAR	Projects for Bangon Marawi amounting to ₱56.80 million were not fully extended to beneficiaries due to erring suppliers/contractors and unsupportive partner LGUs, contrary to the objectives of Section 4 of Administrative Order No. 3 dated June 28, 2017.
2	CDA	Lapses of CDA in the grant of financial assistance to cooperative-beneficiaries due to the a) inclusion of 28 newly created/unregistered cooperative beneficiaries; b) inconsistency of information in the needs assessment survey, project proposal and cooperative's business engagement; and c) implementation of the grant of financial assistance was not in compliance with the Policy Guidelines as to purpose and amount, hence, the objectives of the MRTC Project to reactivate the 73 existing cooperatives in Marawi City may not be attained, capacity building activities may not be focused on the identified needs of the members of the cooperatives.
3	DepED	Funds received by DepEd CO intended as financial assistance to Marawi Siege victims amounting ₱14.68 million remained unutilized as of December 31, 2019.
4	DOLE	Insufficient documentation and qualification requirements of beneficiaries were noted in RO X in the implementation of the DOLE Integrated Livelihood and Emergency Employment Program (DILEEP) and other assistance to the persons affected by Marawi Siege.
5	DPWH	a) The submitted Abstract of Bids was dated December 21, 2017 instead of December 13, 2018 which is the date of the opening of bids. b) The Approved Budget for the contract was unsigned/co-submittal signed. c) The procurement process took 238 days calendar days with the Notice of Procurement dated November 15, 2018 and the issuance of Notice to Proceed

No.	Agency	Audit Observation
		<p>dated July 11, 2019 which is beyond the maximum period allowed or 156 calendar days for the procurement of infrastructure projects.</p> <p>d) The following documents which form part of the contract were not attached:</p> <ul style="list-style-type: none"> • Certification issued by the Concerned Department Secretary, Head of the Bureau, Office or Agency, that the contract is in accordance with all existing laws, rules and regulations (Section 7, EO No. 109); • Printouts of PhilGEPs and procuring entity's web page evidencing posting of the Supplemental/Bid Bulletin; • Certification by the Head of the BAC Secretariat of the Procuring Entity that the invitation was posted at any conspicuous place reserved for this purpose in the premises of the Procuring Entity concerned; and • Latest and updated Annual Procurement Plan and Project Procurement Management Plan.
6	NCMF	<p>NCMF disbursements amounting to ₱3.03 million were used to finance the 15 Pilgrims who are not the winners of the raffle draw contrary to the first agreement stated in the Memorandum of Agreement entered into by the agency together with Task Force Bangon Marawi (TFBM)/HUDCC. Also, insufficient documents amounting to ₱4.74 million to support the payment of the mutawiff fee and roundtrip airfare of ₱2.75 million and ₱1.99 million, respectively, was noted upon the review of documents for the liquidation of the Fund Transfer to the TFBM/HUDCC.</p>

Recommendations

The Auditors recommended the following courses of actions:

- a) Utilize the donated funds for the intended beneficiaries or purposes and/or remit to the BTr the unutilized funds if there are no plans to use such funds for the benefit of Marawi Siege victims;
- b) Immediately submit all required mandatory/supporting documents including justifications/clarifications for the inclusion of unregistered/unqualified beneficiaries to COA Audit Team to enable the validation of the propriety of the transactions pertaining to various programs/projects;
- c) Ensure that all suppliers comply with the terms of the PO/contract and impose sanctions, if warranted. Also, make constant representation with the concerned LGUs to provide their counterpart fund to fast track the implementation of the project; and
- d) To strictly adhere to the issued policy guidelines and ensure that funds disbursed are properly utilized for public welfares; and use the need assessment reports in determining the amount to be given to the beneficiaries.

11. Seventy-six (76) agencies and SUCs were non-compliant with various accounting, budgeting, and other prescribed rules, regulations and issuances affecting the delivery of their respective services.

No.	Agency	Condition
1	AFPCES	Contract of Service (COS) workers has been continuously designated as the Store Managers, Division Heads and Fund Custodians for several years contrary to CSC-DBM-COA JC No. 1, s. 2017.
2	AMLC	Partially executed planned procurements resulted in the non-utilization of the items for the current year's operation and of the related budget allotments at year-end which is not prescribed in EO No. 91 dated September 9, 2019. Non-issuance of Property Acknowledgement Receipts (PARs) for PPE and delayed or non-recording of transfers of PPE in violation of Section 21, Chapter 10, Volume I of GAM for NGAs
3	BFAR	The CO and RFO XIII reported Fisheries Regulatory and Enforcement Program (FRLEP) fund utilization not in accordance with Section 65 of the General Provisions of the FY 2019 GAA.
4	BIR	Deficiencies and non-compliance with prescribed cash management mechanisms and controls related to cash-on-hand, cash items, collections, remittances, reporting, and safeguarding in several Revenue Regions were noted. Non-issuance of PARs for PPE and delayed or non-recording of transfers of PPE in violation of Section 21, Chapter 10, Volume I of GAM for NGAs
5	BLGF	Absence of segregation of duties in the processing of payroll claims increases the risks of fraud and misappropriation/misapplication of funds contrary to the National Guidelines on Internal Control Systems (NGICS)
6	BOC	Advances to PS-DBM amounting to ₱2.314 billion remained undelivered, ranging from one to seven years which is not in accordance with Section 4.b of EO No. 359, s. of 1989.
7	BTr	Non-maintenance/ preparation/submission of the BFARs in RO IV-A is contrary to the provisions of Section 26, Chapter 3 of GAM and COA-DBM JC No. 2019-1
8	CCC	Cash advances (CAs) for foreign and local travel were liquidated from 17 to 350 days beyond the prescribed period; grants thereof were not adequately supported with documentary requirements; and liquidation of travel expenses for CY 2018 was inadvertently recognized in the books as an expense for the current year. Non-conformity with Internal Guidelines on Overtime Services and Compensatory Time and Days Off of CCC with the pertinent provisions of CSC-DBM JC No. 2 dated November 4, 2004.
9	CDA	The financial assistance recognized under the Due from NGOs/POs account of the Kidapawan EO, granted to 135 cooperatives-beneficiaries of the MRTC and MPN-CODE Projects remained unliquidated as of December 31, 2019.
10	CPD	Liquidation of fund granted to a Civil Society Organization (CSO) in CPD-RO IV amounting to ₱0.19 million was processed without proper validation of the project implementation contrary to Item F, Section 5, Chapter 2, Volume I of GAM and Section 5.4 of COA Circular No. 2007-001; CAs granted to SDOs for multiple purposes and in excessive amount despite non-liquidation of previous CA granted; and charging of unrelated expenses contrary to Section 14 (a and c) of Chapter 6, Volume I of the GAM for NGAs. Non-liquidation by SDOs of their CAs, contrary to Paragraph 4.1.3 (ix) of COA Circular No. 2009-002.
11	DA	CAs for payroll, operating expenses, official local and foreign travels and special purpose/time-bound undertakings amounting to ₱450.10 million and fund transfer to NGAs, LGUs, GOCCs and NGOs/POs during the year amounting to ₱7.54 billion were not liquidated in accordance with COA Circular Nos. 97-002, 94-013 and 2007-001. There were also unliquidated

No.	Agency	Condition
		cash advances in prior years amounting to ₱227.54 million and fund transfers amounting to ₱16.08 billion.
12	DAR	<p>CAs for various special purposes amounting to ₱6.30 million were not liquidated as at year-end, while, cash advances in prior years amounting to ₱12.02 million remained unliquidated.</p> <p>Fund transfers to IAs and NGOs/POs amounting to ₱2.40 billion remained outstanding while unliquidated fund transfers to PS-DBM amounted to ₱865.82 million.</p>
13	DBM	<p>Internal control over several DVs, RCDIs, LRs and JEVs amounting to ₱547.74 million were found to be deficient, which revealed weaknesses in the internal control of the agency. Non-preparation /non-maintenance of registries, records, forms and reports required under Volume II of the GAM for NGAs were also noted.</p> <p>Several separated employees with negative accumulated vacation or sick leave credits as at their last day of employment contrary to the Omnibus Rules on Leave.</p>
14	DepEd	Failure to install adequate control procedures within the existing payroll system resulted in: (a) net under-remittance of ₱53.32 million; (b) non-observance of the required minimum Net Take Home Pay (NTHP) of ₱5,000.00; (c) Remittance of loan payments to non-accredited APDS PLIs; (d) additional workload in processing, recording and remitting loan transactions/policies; (e) payment of salaries to retired, resigned, deceased, transferred and separated employees amounting to ₱1.21 million; and (f) errors and/or omissions in recording payroll transactions and other deficiencies in the payroll system.
15	DOE	<p>Procurement of Technical and Scientific Equipment items amounting ₱81.10 million includes additional costs classified as ICT Equipment and Staff training expense in violation of certain expenditures limitations under Section 4.1 and 5.1 of COA Circular No. 2012-003.</p> <p>DOE continued to engage the services of 66 JO Workers performing administrative and technical functions during CY 2019 in violation of JC No. 1, s. 2017.</p>
16	DOF	Absence of the Approved Project Expenditure or Estimated Expenses for fund transfers to various GOCCs
17	DOST	<p>Lapses in granting/utilization/liquidation of CAs amounting to ₱1.47 million, contrary to COA Circular No. 97-002.</p> <p>The year-end balances of funds transferred to NGAs/LGUs/NGOs/POs amounted to ₱11.97 billion, of which ₱4.35 billion or 36.33 percent are past due, while ₱7.62 billion or 63.67 percent are not yet due for liquidation.</p>
18	DOTr	The lack of legal basis and/or authority of the LTFRB to impound and dispose vehicles with franchise violations may result in future legal actions against the Agency, its officials and employees. Furthermore, the continuous accumulation of impounded vehicles in the impounding areas caused the government to incur rental expenses amounting to ₱8.95 million as of December 31, 2019.
19	DSWD	<p>CAs amounting to ₱3.84 billion of 17 DSWD Offices were unliquidated. Moreover, various deficiencies were noted in the custody of cash advances contrary to COA Circular No. 97-002, PD No. 1445 and GAM provisions.</p> <p>Fund transfers to NGAs, LGUs, GOCCs and NGOs/POs including fund transfers to PS-DBM and PITC amounting to ₱6.42 billion for common office supplies and equipment were not liquidated, contrary to COA Circular Nos. 94-013 and 2007-001; Liquidation of CAs for CCT Program/4Ps was delayed by as long as 301 days from the date of completion of training.</p> <p>Five DSWD offices (RV, RVIII, RIX, RX and RXI) failed to submit perfected contracts and supporting documentary requirements amounting to</p>

No.	Agency	Condition
		₱543.88 million for auditorial and technical review/evaluation within five working days from the execution of contract.
20	FSI	Reports and records maintained by the Accountable Officers (AOs) were not in accordance with the prescribed form under GAM, Volume II, thereby monitoring of accountability cannot be facilitated at any given period; Unused and obsolete forms were not submitted to the Audit Team for disposal contrary to Section 99 of GAM, Volume 1; while Petty Cash Fund Custodian delegated to other FSI personnel the handling of the PCF the preparation and maintenance of Report on Paid Petty Cash Voucher (RPPCV) and Petty Cash Fund Record (PCFR), contrary to Section 4.1.5 of COA Circular No. 97-002 and Section 37, Chapter 6 of the GAM, Volume 1, which resulted in an overage of ₱82.00.
21	HLURB-SMRFO	The assignment of personnel who process and compute processing fees and other fees is not in accordance with the HLURB Citizen's Charter internal control procedures.
22	HUDCC	CAs amounting to ₱2.41 million remained unliquidated at the end of CY 2019, contrary to the provisions of Section 5.8 of COA Circular No. 97-002.
23	IC	Absence of duly approved Modification Advice Forms for the modifications of allotments resulted in unauthorized changes to allotments and obligations and disbursements amounting to ₱18.46 million which is not in accordance with Section 3.7.3.1 of NBC No. 577 dated May 2, 2019.
24	ILS	Decrease in budget utilization by ₱2.55 million compared to previous years in violation of NBC No. 577 dated May 2, 2019.
25	NAMRIA	CAs for various purposes in the total amount of ₱18.75 million and fund transfer to NGAs and LGUs in prior years amounting to ₱2.30 million and ₱27,439.00, respectively, remained unliquidated as of year-end while fund transfer to PS-DBM amounting to ₱1.54 million remained undelivered as of year-end, contrary to COA Circular Nos. 97-002 and 2009-002.
26	NAPC	Did not observe the policies on screening, selection and hiring of 92 COS personnel
27	NEDA	The designated CO and acting SDO handled several CAs while the AOs in NCO and NROs II and V were not properly bonded to cover the maximum accountability in conformity with the Item D, Section 14, Chapter 6 of the GAM for NGAs. In NCR, ROs V and IX, PPE records were also inadequately prepared and not maintained contrary to the provisions of GAM. Non-issuance of PARs for PPE and delayed or non-recording of transfers of PPE in violation of Section 21, Chapter 10, Volume I of GAM for NGAs
28	NIB	Did not publish its unfilled and available 114 plantilla positions under the approved Personal Services Itemization and Plantilla Personnel (PSIPOP)
29	OTC	Disbursements and payments for the procurement of goods, services and lease of venues covered by POs and contracts lacked the necessary CAF required under Section 29 of the General Provisions of the FY 2019 GAA and Section 36(c) of Chapter 1, GAM for NGAs Volume I.
30	PA	Certain provisions of laws, rules and regulations on reportorial requirements, funds and property management, procurement, and recording of financial transactions were not faithfully adhered to indicative of weak compliance monitoring by the agency.
31	PCAF	Cash advances for payroll, operating expenses, official local and foreign travels and special purpose/time-bound undertakings amounting to ₱3.88 million and fund transfers amounting to ₱19.92 million to NGAs, LGUs, GOCCs and NGOs/POs during the year were not liquidated at year-end, contrary to COA Circular Nos. 97-002, 94-013 and 2007-001. Unliquidated cash advances and fund transfers in prior years still amounted to ₱4.57 million and ₱1.45 billion, respectively.

No.	Agency	Condition
32	PCIEERD	Circuitous transfers of trust funds amounting to ₱109.76 million to various IAs contrary to COA Circular No. 94-013 and Item 3.a.i, Section VIII of the DOST AO No. 009 dated November 9, 2017.
33	PLLO	Cash Advances granted to SDO for CY 2019 were liquidated 12 to 123 days beyond the prescribed period of liquidation as required under COA Circular No. 97-002.
34	PMS	The Petty Cash Custodian (PCC) transferred ₱0.30 million of her accountability to another officer who is not bonded, contrary to PD No. 1445 and COA Circular No. 97-002.
35	PNVSCA	Non-maintenance of the prescribed registries resulted in unreliable budgetary and financial records and statements which is not in accordance with Sections 8 and 10, Volume II of the GAM.
36	PS	Non-preparation of budgetary and financial reports; Non-segregation of duties and functions of budget officers; and Non-maintenance of separate books for Revolving Fund (RF) and trust receipts, contrary to existing regulations Non-issuance of PARs for PPE and delayed or non-recording of transfers of PPE, in violation of Section 21, Chapter 10, Volume I of GAM for NGAs
37	PSRTI	Non-compliant modifications/ realignment with prescribed process, unapproved modifications/realignments of allotments and Non-maintenance of registries and financial accountability reports (FARs).
38	PVAO	Payment of pension benefits despite the absence of SARO in violation of Sections 4.1 and 119 of PD No. 1445, Section 10 and 61 of RA No. 10964, Section 17 of RA No. 11260 and Sections 2.1 and 2.3 of DBM Circular Letter and NCA and the required authority from the DBM to use other fund sources
39	RTU	Incurred obligations and/or contractual commitments amounting to ₱33.51 million, of which 62.74 percent or ₱21.02 million are commitments/obligations in 2018 or for more than one year but less than two years that does not coincide with the reformed budgeting system that is annual cash-based appropriations, which the State aims to implement
40	SEC	Continuous hiring of COS workers in spite of available vacancies and their performance of functions of existing regular employees, contrary to Section 7 of the CSC-COA-DBM JC No. 1 dated June 15, 2017, as amended by CSC-COA-DBM JC No. 1 dated November 9, 2018; and Non-compliance with rules and regulations on official travels of personnel under Section 21 of EO No. 77
41	TC	Non-issuance of PARs for PPE and delayed or non-recording of transfers of PPE in violation of Section 21, Chapter 10, Volume I of GAM for NGAs
42	UNACOM	SDO also acts as the Collecting Officer did not prepare RCD for the ORs she issued and RAAF as required under GAM, Volume 1.
43	ASU, R6	ORS and BURS forms used for recording the incurrence of budget utilization were not properly accomplished in accordance with the prescribed format under the UACS Manual and the GAM Volume II.
44	ASSCAT, R13	CAs aged more than 30 days to over three years remained unliquidated. The leave credit balances of 19 employees who availed the monetization of leave credits in the records of the HRMO did not truly represent their actual balances, contrary to Section 123 of PD No. 1445, resulting in misleading and inaccurate information of leave credit balances.
45	BASC, R3	Failure to implement Modified Direct Payment Scheme (MDPS) due to creditors/payees for the payment of salaries and benefits of employees and remittances of loans and contributions to HDMF in violation of DBM Circular Letter No. 2013-16 dated December 23, 2013, as updated by DBM Circular No. 2018-14 dated December 28, 2018. CAs granted to officers and employees were not liquidated within the time frame and as soon as the purpose for which it was granted has been served pursuant to COA Circular No. 97-002.

No.	Agency	Condition
46	BU, R5	The University allowed the services of a Professor VI, SG 29-1 to continue despite invalidated appointment dated July, 2019 by the CSC pursuant to Rule XII of the 2017 ORAOHRA.
47	BISU, R7	Additional CA was granted to the Cashier whose previous cash advances amounting to ₱2.50 million remained unsettled/ unliquidated, contrary to the instructions under Section 4.1.2 of COA Circular No. 97-002. CAs granted to the Cashier were not liquidated within five (5) days after each pay period as prescribed in Section 5.1 of COA Circular No. 97-002 and Section 15 of Chapter 6 of the GAM, Volume I
48	BSC	BFARs prescribed under Joint Circular No. 2014-1 dated July 2, 2014 of the COA and DBM were not submitted.
49	CapSU	Deficiencies were noted in the accounting, recording and monitoring of various IGPs, thus income generated to augment the University's financial capability in carrying out major institutional programs and activities could not be accurately established and accounted for. Improper accounting treatment of funds received, delayed submission of Fund Utilization Reports, and non-maintenance of ledgers were noted in the implementation of various programs/ projects funded by other agencies amounting to ₱116.80 million. Delayed liquidation of CAs; Additional CAs granted despite non liquidation of previous CA; CAs remained unliquidated as of year end; Payments for supplies and materials and construction projects were paid through CA; Job Orders who are not bonded allowed to assume the responsibilities of a designated collecting officer while on leave of absence.
50	CvSU, R4A	Procurement of Marine and Fishery Equipment and Semi-expendable Property funded by CHED-National Agriculture and Fisheries Education System (NAFES) project were unsupported with PAR and ICS.
51	CBSUA, R5	CAs were not liquidated within the prescribed period and additional CAs were granted despite non-liquidation of previous CAs, resulting in accumulated CA of ₱1.17 million as of cash examination date.
52	CNU, R7	The DOs did not maintain CDRec or its equivalent contrary to Section 17, Chapter 6 of the GAM, Volume I. Disbursements charged against IGP Funds for the period January to December 2019 were paid without the BURS, thereby, posing difficulty in monitoring the spending/utilization of the IGP Funds.
53	CNSC , R5	CAs and PCF amounting to ₱1.34 million were granted to CNSC personnel without official designation as SDO and/or PCF Custodian contrary to COA Circular No. 97-002. These personnel did not also maintain CDR and/or PCFR to record their cash advances and utilization, contrary to GAM for NGAs, Volume II.
54	CPSC, R10	Regular expenses for Fuel, Oil and Lubricants amounting to ₱0.50 million were procured through PCF, CAs and reimbursements. Various liquidations also included expenses for fuel used in private vehicles amounting to ₱13,247.00.
55	DNSC, R11	The Budget Officer and the Accountant did not prepare and reconcile the amounts in the BFARs and in the accounting reports due to several errors reflected for FY 2019 reports, contrary to COA-DBM Joint Circular No. 2019-1 dated January 1, 2019.
56	DMMMSU, R1	Submission of DTRs by regular employees was not strictly imposed which was not in full adherence to Section 2 of Rule XVII, Omnibus Rules Implementing Book V of EO No. 292 and DMMMSU Memorandum dated August 16, 2019. Seven (7) non-teaching personnel were on Study Leave with pay in excess of the 4-month study period allowed under Civil Service MC No. 21, s. 2004.

No.	Agency	Condition
57	IFSU, CAR	Swine housing facilities of the Piggery Project were not put to optimum use, due to non-compliance with the provisions of the IGP Manual as required under IFSU Code. Lack of vision, mission, goals and thrusts/concerns, organizational structure, guidelines and policies, feasibility study/farm plan and budget.
58	ISU, R2	Manually prepared DTRs to support payment of overtime services of officials and employees did not match with the records generated from the Campus Biometrics System, contrary to Section 112 of PD No. 1445 and Section 2, Rule XVII, Omnibus Rules Implementing Book V of EO No. 292.
59	ISCOF, R6	CSC policies on habitual tardiness and undertimes were not strictly imposed in violation of CSC Memorandum Circular No. 34, s. 1998 dated August 11, 1998.
60	JHCSC	CAs granted to officers and employees of Main Campus amounting to ₱1.28 million have been outstanding for more than one year to six years and are considered past due in violation of Section 89 of PD No. 1445.
61	MSU- IIT, TCTO, BARM/ TRAC	Non-recording of daily collections by the accounting office to Cash Collecting Officer Account for fund 05 (Business Related Funds) for the period September 9, 2017 to October 11, 2018 is in violation of Section 1, Chapter III, GAM, Volume III. Non submission of BFARs for CY 2019 and sufficient data of Agency Personnel Profile (plantilla of personnel) as of December 31, 2019
62	NEUST, R3	BURS was not prepared as support to all disbursements from Trust Funds contrary to Section 19, Chapter 3, Volume 1 of the GAM for NGAs. Unliquidated cash advances amounting to ₱7.27 million
63	PCSDS, R4B	Absences, tardiness and undertimes incurred by personnel under COS amounting to ₱0.13 million were not deducted from their respective payrolls, contrary to Section 2 of PD No. 1445.
64	PSU, R5	Financial Report on the “International Conference on the Hispanization and Urbanization of Luzon” held on September 30, 2019 to October 2, 2019 at Naga City, did not include the financial counterpart/share amounting to ₱0.30 million of the NCCA, and Arts, Culture and Tourism Office of Naga City Government as co-sponsors per budgetary requirements contained in the Activity Proposal.
65	PRMTU, R3	CAs for special purpose of an AO disclosed various deficiencies contrary to rules and regulations, thus rendering doubt on the validity and propriety of the payments therefrom amounting to ₱0.59 million.
66	SDSSU, R13	The SDSSU Cantilan Campus is granting one cash advance for multiple purposes to its disbursing officers, resulting in irregularly granted cash advances aggregating ₱0.61 million during the year contributing to the delay in the liquidation thereof circumventing the prescribed controls provided in Section 89 of PD No. 1445 and COA Circular No. 97-002; while six regular personnel of the SDDSU, Lianga Campus, performed disbursing function without being duly designated as disbursing officers, contrary to Items 3.2 and 4.1.5 of COA Circular No. 97-002.
67	SSC, R5	Grant of additional CA to several officials and employees of the agency despite non-liquidation/non-settlement of the previous CAs.
68	SSCT, R16	Registration fees derived from College activities amounting to ₱13.98 million were recorded under the IGP account and not accounted for as STF inconsistent with Item 2.1.1 of COA Circular No. 2002-002 dated April 4, 2002.
69	TSU, R3	The revenue and receipts collected and deposited by the University to the STF were not classified according to UACS prescribed under the GAM for NGAs, Volume I. 202 Faculty and teaching personnel failed to submit approved DTRs, contrary to Section 2, Rule XVII of the Omnibus Civil Service Rules.

No.	Agency	Condition
70	UA	<p>The disbursement of wages of Job Order Personnel and Part-Time Faculty in the UA-Main Campus through cash advances and manual distribution thereof, through pay envelopes is not economical and efficient.</p> <p>Disbursements amounting to ₱82.32 million under TES were not recorded in the appropriate accounts but debited against the “Due to NGAs” account. This improper accounting treatment of disbursements is applied to all Inter-Agency Transferred Funds, thus year-end balance of Due to NGAs in the total amount of ₱57.06 million is not reliable.</p>
71	UEP, R8	<p>A cash shortage amounting to ₱18,500.00 was incurred by the AO due to overstated recording of liquidation on the CDRec and on the financial statements. Other deficiencies noted were unrecorded liquidations in the CDRecs on the period the liquidations occurred, and the CDRecs not certified monthly; CAs amounting to ₱2.22 million, as well as their corresponding liquidations were not recorded in the CDRecs; while CAs of the AO amounting to ₱1.01 million were transferred to other persons, contrary to the provisions of COA Circular No. 97-002, PD No. 1445 and GAM for NGAs, Volume II.</p> <p>Incurrence of overdraft of obligations amounting to ₱12.27 million in violation of Section 4 (1) and (4) of PD No. 1445; hence, related expenditures are disallowable in audit. Likewise, Registries for all funds and BFARs were not maintained and submitted.</p>
72	UNP, R1	Overtime services rendered by faculty members on weekends for accreditation of the different programs and institutions of the University were remunerated through meals and snacks, and transportation allowances of ₱250.00 per day, instead of either through Compensatory Time-Off or Overtime Pay.
73	USTSP-CDO, Claveria	<p>Accounts Payable remained long outstanding for more than two years, contrary to DBM and COA Joint Circular No. 99-6 dated November 13, 2019.</p> <p>Overtime services was not uniformly granted in accordance with CSC and DBM JC No. 1, series 2015, dated November 25, 2015.</p>
74	VSU, R8	POs for goods amounting to ₱16.54 million did not indicate the date of receipt by the Supplier, contrary to Appendix 61 of the GAM for NGAs, Volume II, thus delivery within prescribed time cannot be determined to the disadvantage of the government.
75	WMSU, R9	<p>Officers and employees with prior unliquidated advances for a total of ₱0.14 million were granted travel allowance for the month of December 2019 in violation of COA Circular 2012-001; Advances to Officers and Employees account amounting to ₱1.967 million remained unliquidated as of December 31, 2019, contrary to Section 3.1.2.1 of COA Circular No. 96-004.</p> <p>Distribution of teaching load to members of the faculty who were assigned with workload other than teaching for the 1st and 2nd semesters of SY 2019-2020 did not comply with Section 7.13.1.3 Chapter 7 of DBM PCC.</p>
76	ZSCMST, R9	<p>The agency released the retention money amounting to ₱0.58 million to the contractors of various infrastructure projects and allowed the same to be substituted with surety bond equivalent to 10 percent of the contract price when these projects were already beyond target completion dates contrary to Section 6.2, Annex “E” of the Revised IRR of RA No. 9184.</p> <p>A College Professor was paid salaries and allowances in the total amount of ₱1.19 million despite defects in her actual assumption of the duties and responsibilities of the position as provided for under Section 17 and 23, Rule VI of CSC MC 14, s. 2018; Payment of monetization of accumulated vacation leave balance is contrary to Section 22 and 23, Rule XVI of the Omnibus Rules Implementing Book V of EO No. 292; There was no transfer of property accountability by the outgoing Concurrent Head, Property and Supply Office, to his successor which is not in keeping with Section 77, PD No. 1445; Teaching loads of 11 teachers with quasi function and/or with</p>

No.	Agency	Condition
		workload other than teaching were not in consonance with Section 7.13.1.3, Chapter 7 of DBM Manual on PCC.

Recommendations

The Auditors recommended the following courses of actions:

Agency	Audit Recommendation
DOTr	Revisit the provisions of JAO No. 2014-01, DOTr DO No. 2018-009 and LTFRB MC No. 2019-011 to determine whether the LTFRB has the legal basis and/or authority to impound and dispose vehicles with franchise violations and/or make proper representation with the Office of the President to secure authority and strengthen its DOTr DO No. 2018-009 for authority to dispose the impounded motor vehicles. Otherwise, take necessary actions for the turn-over of the impounded vehicles to the LTO which has the legal authority to impound and dispose the impounded vehicles to avoid the possibility of future legal actions, accumulation of impounded vehicles and further incurrence of related expenses.
SUCs and Other agencies	<p>a) Abide with the pertinent provisions of the GAM for NGAs in accounting expenditures and all existing laws, rules and regulations of COA, CSC, DBM of other agencies;</p> <p>b) Prepare RCIs, RCDIs and Liquidation Reports quarterly, and promptly submit the same to the Audit Team within the prescribed period;</p> <p>c) Set clear mission, vision, targets and implementing guidelines for all IGPs; and</p> <p>d) Properly account and record the IGP transactions and prepare the financial reports in accordance with prescribed accounting rules and regulations</p>

12. Procurement in a number of government agencies were not compliant with RA No. 9184 and its Revised IRR, defeating the purpose of transparency, completeness and accountability in the procurement process:

Condition/Reason	No. of Agencies	Amount (In Million ₱)
1. Procurement of goods, services and equipment without public bidding/meeting the requirements for alternative mode of procurement	29	723.85
	4	Not stated
2. Procurement of items not included in/not in conformity with the Annual Procurement Plan (APP); non-preparation and submission of approved APP/Supplemental APP/Procurement Monitoring Report (PMR); deficient APP/Project Procurement Management Plan (PMPP)	13	1,381.38
	12	Not stated
3. Undocumented/inadequate/deficient documentation of procurement activities/unsupported variation orders	33	10,836.44
	3	Not stated
	20	1,273.67

Condition/Reason	No. of Agencies	Amount (In Million ₪)
4. Delayed or long procurement process inconsistent with Government Procurement Policy Board (GPPB) Manual	6	Not stated
5. Bidders not meeting eligibility requirements or inadequate post-qualification procedures/non-preparation of Bid Evaluation and Post-qualification reports/non-compliance with warranty requirements	16	789.99
	3	Not stated
6. Splitting of transactions or non-consolidation of transactions	7	45.98
7. Non-withholding of retention money for infrastructure projects or erroneous deduction; retention money released before the lapse of 1 year liability period or before the final acceptance of the project; deficient surety bond	8	719.91
	1	Not stated
8. Other practices/deficiencies not in accordance with RA No. 9184/RIRR:		
i. Non-imposition of or lack/deficient liquidated damages	11	72.54
	2	Not stated
ii. Incomplete/delayed submission of pertinent documents required in the legal and/or auditorial review	7	348.01
	2	Not stated
iii. Procurement/disbursements thru shopping, cash advance, PCF, and reimbursements or directly from supplier/Employees' Cooperative	14	70.15
	2	Not stated
iv. Technical specifications contain unclear scope of works; some items not in accordance with the contract's scope of work; contractor/supplier failed to comply with the specifications of work/contract specifications	5	110.66
	1	Not stated
v. Excessive contract cost awarded	2	0.39
vi. Invitations were either not sent or delayed in sending to private group and NGOs; failure to notify COA or was only invited during the pre-bid and bid-opening conference; Invited observers were not from duly recognized private organizations or groups in a sector relevant to the items to be procured; Technical Working Group (TWG) not invited during Pre-Procurement, Pre-Bid Conference, Opening of Bids and Bid Evaluation	2	2,005.94
	3	Not stated
vii. Supplier/s chosen not the lowest quoted canvass/bid; projects initiated by the same contractor prior to the issuance of Notice of Award; overlapping projects having same key personnel assigned and equipment to be utilized on the projects	4	112.13
	1	Not stated
viii. Fabricated canvass/Request for Quotations (RFQs); non-obtaining of at least three price quotations from bona fide suppliers	2	9.98
	3	Not stated
ix. Reporting a project with deficiency as fully completed; payment of the first progress billing despite the non-accomplishment of at least 20% of the work; full payment before completion of work/services; completed projects issued with Letter of Acceptance before one year from the date of Certificate of Completion or Defects Liability Period; early acceptance of incomplete project	2	1.09
	3	Not stated
x. Granting of unnecessary time extensions to contractors; delayed completion of project despite extended contract time	3	47.07
	2	Not stated
xi. Non-conduct of Pre-Procurement Conference	1	Not stated
xii. Procurement in bulk resulting in overstacking	1	4.16
xiii. Undelivered/unutilized/uninstalled/non-operational procured goods and/or equipment	1	18.44
xiv. Deficiencies on security service contract	1	0.98
xv. Lack of proper procurement planning; no clear and documented guidelines on project implementation, monitoring and evaluation, project/delivery inspection and acceptance, and contract termination and review	4	11.24
	4	Not stated
xvi. Minutes of Pre-Bid Conference was delayed/not posted in the website of the procuring entity; Semestral PMRs were not posted in the Government Procurement Policy Board (GPPB) and agency websites; Delayed/Non-compliance with posting of procurement documents in the PhilGEPS, agency's website, and premises of procuring entity	5	56.43
	6	Not stated
xvii. Insufficient performance bonds; Acceptance of performance securities notwithstanding the failure to satisfy the validity period	2	19.72
xviii. Issuance of Suspension Work Order and grant of extension of contract time not in order/issue on the timeline in issuing a variation order	1	87.73
	1	Not stated
xix. Delayed execution of contract	1	Not stated
xx. Lapses in the preparation of Purchase Orders; absence of Terms of Reference (TOR)	2	2,857.20

Condition/Reason	No. of Agencies	Amount (In Million ₱)
xxi. Cost-benefit analysis not conducted prior to the renewal of the Contract of Lease	1	0.56
xxii. Unreverted retention fee to National Treasury	1	3.54
xxiii. Non-compliance with provisions on various consulting services/negotiated procurement – lease of real property and venue	1	8.69
xxiv. Classifying procurement of infrastructure as procurement of goods	1	19.84
xxv. Under-assessment of cost of bid documents	1	6.94

Recommendations

The Auditors recommended that concerned officials:

- a) Require the BAC to comply strictly with the provisions of Section 10 of the Revised IRR of RA No. 9184 and Item 11 of GPPB Resolution No. 05-2018 regarding the preparation of the APP; instruct the respective BAC to immediately conduct public bidding, or direct contracting, if applicable; comply with the procedures prescribed under Annex H on the consolidated guidelines for the alternative methods of procurement of the RA No. 9184; comply with Section 54.3 of the Revised IRR of RA No. 9184 and direct the BAC Secretariat to submit explanation/s for the non-posting of NOA; undertake future purchases of common-use supplies, materials and equipment in bulk quantities through public bidding or through the PS-DBM in order to minimize additional costs incurred, and obtain prices most advantageous on the part of the University; stop the practice of paying through Cash on Delivery (COD) scheme and make sure that only valid and legal accounts payable for which goods/services/projects have been delivered/rendered/completed and accepted, shall be considered for payment;
- b) BAC be strict in requiring all their suppliers/contractors to submit their current and updated PhilGEPs Registration Number, Business Permit and Omnibus Sworn Statement to conform to the requirements of the Revised IRR of RA No. 9184; submit lacking documents as required by Annex “H” Appendix A of the 2016 Revised IRR of RA No. 9184; submit to the Audit Team the copy of contracts/POs and all supporting documents within five days from date of perfection or conformity by the supplier pursuant to COA Circular No. 2009-001 dated 12 February 2009;
- c) Comply with the requisite posting in the PhilGEPS website and in the premises (conspicuous place) if the alternative mode of procurement e.g. shopping and small value procurement is resorted to; verify and validate the completeness of supporting documents in accordance with Section 4(6) of PD 1445 and strict compliance with the procurement law and policies on disbursements, inspection and acceptance and release of goods/properties of the agency; ensure that the bidding documents shall conform to the standard Philippine Bidding Documents prescribed by the GPPB;
- d) Procurement Unit to work closely with the PS-DBM for the immediate delivery of already paid needed supplies, materials, equipment and other services; set timelines on the procurement process of BAC to prevent delay in the award of contract, avoid waste of resources, and disruption of the APP; demand the

immediate delivery of procured/requisitioned items and revisit/amend the MOA to indicate specific timelines for delivery of procured/requisitioned items; ensure that in succeeding procurements, the basis for establishing the definite delivery dates are not overlooked in order to enable them to monitor timely delivery of items being procured and to claim equitable compensation if delays are incurred by the suppliers;

- e) BAC-TWG to include in their post-qualification the comparative evaluation and reasonableness as to the number of projects the equipment are pledged and key personnel assigned by the same lowest calculated bidder for different projects with simultaneous or overlapping implementation; provide clear stipulation/s in its bidding documents particularly in the Bid Data Sheet of its intended condition/s as requirement from the bidders if said conditions are to be made basis for the post-qualification; carefully determine the capacity of bidders to undertake and complete infrastructure projects without delay by scrutinizing the sufficiency of the contractor's manpower and equipment on all contracts to be awarded;
- f) Review and scrutinize the terms and conditions of the warranty securities being posted by the contractors whether they conform to Sections 62.2.3.3 and 62.2.3.4 of the Revised IRR of RA No. 9184 and Section 9.1.1.4 of COA Circular No. 2012-001; strictly monitor the projects whether they are bonded and require all the contractors to post their bonds in accordance with the provisions of the Revised IRR of RA No. 9184;
- g) Adhere to COA Circular No. 76-41, Sections 48.2 and 54.1 of the Revised IRR of RA No. 9184 on the general policy on competitive bidding and prohibition on splitting of contracts;
- h) Ensure the retention of 10 percent of progress billing until 50 percent completion of the work unless irrevocable standby letters of credit from a commercial bank, bank guarantees or surety bonds callable on demand is submitted in lieu of the retention; blacklist the defaulting contractor in compliance with Section 4.2, f(i), Annex A of GPBB Resolution No. 40-2017, implementing Section 69.4 of the Revised IRR, RA No. 9184;
- i) Impose 10 percent liquidated damage to suppliers and strictly adhere to the provisions of Section 68 of Revised IRR of RA No. 9184 and Article VII of the contracts without further delay to protect the interest of the government; submit justifications/explanations noted on non-imposition of liquidated damages for evaluation and audit action, issuance of Notice of Disallowance, if warranted;
- j) Ensure that specifications for the procurement of goods/supplies be based on its relevant characteristics and/or performance requirements without specifying its brand name;
- k) Prepare and submit to the GPPB the PMR within the time frame as stipulated in Section 12.2 of the Revised IRR of RA No. 9184 so that monitoring and evaluation of the agency's compliance to the provisions of the Procurement Reform Act can be made; submit and post the approved APP to the GPPB and PhilGEPS websites in the prescribed formats within 14 calendar days after the

end of every semester and copy of APP on or before the end of January of the budget year, in accordance with EO No. 662, series of 2007, as amended; and

- l) Post in the PhilGEPS website the Advertisements/Notices of Bids as well as the Notices of Award/Contracts/POs as required;
- m) Prepare and submit documentation on the creation of the pool of relevant technical, financial, legal experts, professional organization and non-governmental organization to facilitate the selection and evaluation of group from which the TWG will be selected, and Observers will be invited for specific procurements, in compliance with the requirement of RA No. 9184 and the 2016 Revised IRR;
- n) Invite Observers at least five (5) calendar days before the date of procurement stage/activity as provided under Section 13.3 of the Revised IRR of RA No. 9184; and, secure proof of receipt of the written invitations by the concerned Observers;
- o) Submit adequately documented and approved Variation Orders, when warranted; ensure at all times that the submitted detailed estimates of the contractors are in accordance with the approved program of works; strictly follow the guidelines on Annex E of Revised IRR of RA No. 9184 on the process of preparing Variation Orders if such variation is necessary to the project's completeness; and conduct adequate detailed engineering to minimize the issuance of Variation Orders; and
- p) Submit the contracts together with the supporting documents to the Audit Team within five working days from the execution of the contracts as prescribed by COA Circular Nos. 2012-001 dated June 14, 2012 and 2009-001 dated February 1, 2009.

7.5 Consolidated Common Audit Observations Affecting the *Fair* Presentation of Financial Statements (FSs) for Calendar Year (CY) 2019 of NGAs as discussed in the Annual Audit Reports

A. CASH

Cash account balances in a number of agencies are unreliable/doubtful due to reported cash shortage/failure to deposit collections, unrecorded collections and disbursements, erroneous recording of entries, unaccounted/unreconciled variances and unrecorded reconciling items, among others; hence, exposing government funds to possible misappropriation, misuse and losses.

1) Cash shortages in five agencies amounted to ₱8.84 million mainly caused by non-restitution of eight erring AOs, and other weaknesses in internal control.

No.	Agency	No. of AOs	Remarks	Amount (In Million ₱)
1	BI	3	COs incurred shortages due to the issuance of ORs even though no money was received from the client.	0.10
2	NAP	1	Cash shortage as a result of cash examination conducted.	0.02

No.	Agency	No. of AOs	Remarks	Amount (In Million ₱)
3	NPO	1	Incurred shortage in violation of Sections 101 and 105 of PD No. 1445.	0.08
4	BU, R5	1	AO did not deposit intact all collections resulting in shortage as of cash count date on Nov. 26, 2018. Cash and Cash items presented were insufficient to complete the settlement of total cash advances resulting in cash shortage.	0.80
5	NMSCST, R10	1	A substantial amount of collections from cash sales in the University food court and food outlet was not remitted by the concerned Income Generating Project Director within the cash examination period Sept. 1, 2017 and July 11, 2019, respectively, which resulted in the total net unremitted collection as of cash count date, July 11, 2019, thereby inconsistent with Sec. 69 of PD No. 1445.	7.84
Total		7		8.84

- 2) **Failure to deposit collections intact the next working day, non-deposit to authorized government depository bank, and collections remaining outstanding for seven years by identified 98 AOs in 25 agencies increased the risks of misappropriation or loss of government funds. A total of ₱47.91 million from 16 agencies was determined to have not been deposited intact.**

No.	Agency	No. of AOs	Remarks	Amount (In Million ₱)
1	AFPCES	3	Collection was not deposited intact by the Fund Custodian contrary to the manner prescribed in Paragraph 32, Chapter II of the Revised Cash Examination Manual.	0.51
2	BFP	5	Collections of Fire Code Fees were not deposited daily or on the next banking day.	Not stated
3	CHED	4	Collections were not deposited intact daily or on the next banking day in CHEDROs CAR, II, XII and XIII with delays ranging 1 to 11 days.	Not stated
		1	Former Collecting Officer of CHEDRO VII did not deposit on the next banking day all undeposited collections as of June 20, 2019.	Not stated
4	CFL	1	Non-compliance with the Revised Cash Examination Manual	Not stated
5	COMELEC	Not stated	Various AOs from CAR, Regions II, III, IV-A, V, XIII and XVI, failed to deposit their collections intact within the prescribed period.	Not stated
6	DepEd-NCR, RO 4B, 6, 8, 10, 12	12	Collections under the cash account Cash – Collecting Officer were not deposited intact.	5.62
7	DFA - RCO Antipolo City	1	Collections were accumulated for two to five days before deposited, contrary to Sec. 32 of COA Memorandum No. 2013-004 dated July 9, 2013.	0.20
8	DND	1	Delayed deposit of collections which remained in the hands of the collecting officer from 4 to 17 working days.	0.91
9	DOJ	14	Collections were not deposited intact/daily or on the next banking day contrary to Sec. 69 of P.D 1445 and Paragraph 2a and Sec. 2 of COA-DOF Joint Circular No. 1-81.	Not stated
		2	Collections from January 3 to October 28, 2019 were not deposited with the authorized government depository bank (AGDB) contrary to Sec. 69 (1) and	0.10

No.	Agency	No. of AOs	Remarks	Amount (In Million ₱)
			(4) of PD 1445, and Appendix 6.D of the GAM, Volume II.	
10	DOTr	17	Reports on the cash examinations of the cash and accounts of AOs disclosed several deficiencies due to non-compliance with the rules and regulations on cash advances. Paragraph 32, Chapter II of the Revised Cash Examination Manual providing that all collecting officers shall deposit intact all their collections daily or not later than the next banking day.	Not stated
11	DSWD	1	The unspent balance of the cash advances for special time-bound undertakings were not returned/refunded immediately after the purposes were completed or the projects were implemented.	2.01
12	HLURB-NLRFO	1	Collections received were not immediately deposited by the Special Collection Officer (SCO) contrary to Sec. 68 (1) of PD No. 1445.	0.28
13	LRA	13	COs of various Registries of Deeds (RoDs) failed to deposit their collections daily and intact and/or not later than the next banking day.	Not stated
14	MARINA	1	Collections were not deposited intact and daily by AO.	Not stated
15	NTC	3	Cash collections in NTC ROs I, IX, and XIII were not deposited intact daily or on the next banking day.	Not stated
16	RTU	Not stated	The collections for parking stickers under the University Parking Policy are not deposited in the duly authorized government depository maintained by the RTU, which is not in accordance with Sec. 65 (1) of PD No. 1445.	0.12
17	PNU	1	Daily collections of school fees and miscellaneous fees of PNU-North Luzon were not deposited intact and daily with the AGDB.	1.24
18	BSU, CAR	1	Collections were not deposited intact daily with delays ranging from one (1) to four (4) days resulting in unnecessary build-up of cash in the possession of the Cash Custodian (CC).	Not stated
19	CCSPC, RO 12	1	Collections were not deposited daily and intact.	27.96
20	LSPU, RO 4A	1	Receipt of collections under the Trust Fund-Department of Science and Technology (TF-DOST) in LSPU Los Baños were not remitted daily to the LSPU-LBC Cashier.	4.23
21	NORSU, NIS	1	Cash-Collecting Officers account remained outstanding for seven years already contrary to Section 69 (1) of PD No. 1445 and letter D, Appendix 26 of the GAM for NGSSs, Volume II.	1.10
22	RSU, RO 4B	5	Failure of the Cashier to deposit collections intact daily or in the next banking day with the AGDB.	1.54
23	SLSU, RO 4A	5	Collections of satellite campuses of SLSU in CY 2019 were not deposited promptly and intact to the AGDB.	0.61
24	URS, RO 4A	2	Collections of the AOs of the Corporate and Business Affairs (CBA) Office were not deposited intact daily or the next banking day from receipt thereof.	1.23
25	WPU, RO 4B	1	Collections were not deposited intact on a daily basis or not later than the next banking day.	0.24
Total		98		47.90

3) Unrecorded/unadjusted bank accounts and transactions amounting to ₱5.81 billion in 61 agencies due to lack of supporting documents, among others; and unreconciled, negative, dormant and unaccounted balances, and

existence of closed bank accounts amounting to ₱4.13 billion noted in 32 agencies affected the reliability of cash account balances at year-end.

Auditors noted unrecorded/unadjusted bank accounts and transactions in 61 agencies amounting to ₱5.81 billion due to lack of supporting documents, among others:

No.	Agency	Condition/Reason	Amount (In Million ₱)
1	ACPC	Unrecorded collection of loan payments received through bank deposits due to non-preparation of BRS	20.14
2	BFAR	Unrecorded deposits	0.24
3	BTr-NG	Unidentified bank credits due to lack of supporting documents submitted	2,730.64
		Unadjusted reconciling items due to lack of supporting documents	1.75
4	BuCor	Unaccounted and unadjusted reconciling items	1.11
5	CHED	Non-recording of interests earned for the accounts maintained with the Development Bank of the Philippines (DBP) of the CHED-CO	0.35
6	DA	Unrecorded deposits	2.14
		Unrecorded receipt of funds	15.21
		Unadjusted reconciling items in the BRS	4.45
7	DAR	Unrecorded reconciling items in prior years per BRS	2.07
		Unrecorded closure of bank account	1.47
8	DENR	Unrecorded deposit, unadjusted reconciling items, unreleased checks as of year-end, and closed bank account still recorded in the books	14.68
		Understated CIB-FCSA due to various unrecorded transactions	2.30
9	DepEd-NCR, R8, R11	Unrecorded collections due to the delayed preparation of RCD.	0.37
		Deposits made were still recorded under the Cash-Collecting Officer account	0.65
	DepEd, CO, NCR, CAR, R1, R13, R7, NIS	Non-inclusion of the existing cash balance of the Provident Fund, SPHERE Fund and other existing bank balances; and non-inclusion in the books of CIB-LCCA bank account.	38.99
	DepEd, CO, NCR, R1, R5	Failure to adjust significant amounts of reconciling items; and identified reconciling items reflected in the submitted BRS remained unadjusted in the books of accounts	174.30
10	DFA	Unrecorded deposits contrary to Paragraph 27 of PPSAS 1 Volume I; Chapter 3, GAM, Volume III	136.77
11	DOH	Unrecorded adjusting entries	1.78
		Unrecorded credits to cash	18.93
		Unrecorded book reconciling items	125.79
		Unrecorded receipts of cash	1.51
12	DOJ	Balance of CIB-LCCA account as at year-end was understated due to unrecorded book reconciling items.	0.11
		Unreconciled records with SLs maintained by DOJ Main. Also, there were errors in recording of collections by CO in the RCD, which caused unrecorded collections and deposits, discrepancy between records, and absence of periodic reconciliation between Accounting Office and CO.	0.08
13	DOLE	One closed account under CIB-LCCA still recorded in the books; Non-recording of various cash and check deposits; Unadjusted reconciling items from CY 2017 to 2018; and unrecorded disbursement	0.98
14	DOST (TRC, R4A, R9, R11)	Unrecorded reconciling items, bank credit debit memo, cancelled, casting doubt on the reliability of CIB-LCCA account balance	6.52
15	DOT	Unrecorded bank debits	3.84
		Reconciling items noted were not immediately investigated and necessary adjustments were not taken up in the books.	13.90

No.	Agency	Condition/Reason	Amount (In Million ₱)
16	DOTr	Non recording of bank credits due to its unidentified nature and lack of details/documents to support the journal entries that will be made	0.06
		CIB-LCCA account was not recorded in the books as at year-end.	366.65
17	DSWD	Unrecorded transaction as closed bank account has balances in the books	3.21
18	EARIST	Non-recording of book errors resulting in overstatement of CIB-LCSA and CIB-LCCA	4.89
19	GHQ,AFP	Unrecorded debit and credit memos due to late receipt of debit and credit memos	10.09
		Unrecorded cash deposits due to non-submission of the required documents as basis of recording	0.18
		Unrecorded residual from opened Letters of Credit (LC) due to non-submission of the required documents as basis of recording	0.75
		Unrecorded deposits from loan transactions	0.51
		Unrecorded reconciling items relating to pension payments due to the bank's late/ non-submission of debit memos	0.61
		Unrecorded Interest Income due to late submission of Bank Statements	0.37
		Non-reversion of prior years' unclaimed pension benefits of pensioners with invalid bank accounts	0.22
20	ICAB	Unrecorded collections through bank to bank transfers due to delayed issuance of the certification by the BTr	12.91
		Remittances with shortage due to insufficient bank charges	0.01
21	ITDI	Constructive receipt and remittance of NCA for TRA and to the BIR of taxes withheld through TRA, respectively, were improperly recorded; thus, the account Cash – TRA was not recognized in the books of accounts.	36.22
22	NAP	Book reconciling items appearing in the monthly BRS for the agency's CIB and Cash-MDS accounts were only recognized in the books of accounts at year-end contrary to Section 6, Chapter 21, GAM, Volume I	0.43
23	NNC	CIB-LCCA cannot be ascertained due to delayed/non-recording of disbursements/ liquidation of fund transfers to NNC Regional Offices (ROs).	427.95
24	NPO	Non-recognition of reconciling items requiring adjustments and corrections	93.35
25	NWRB	Unadjusted reconciling items, unrecorded disbursements, and overstated adjustments	0.06
26	OWWA	Unrecorded Fund Transfer from OWWA Central Office	4.44
		Unrecorded Credit Memos due to absence of documents	2.24
		Unrecorded disbursements due to absence of documents from OWWA Central Office to the RWOs	0.02
		In OWWA-Central Office, the deposits to LBP Savings Account Nos. 1701-0185-63 and 1701-0000-01 which represents membership collections by a Collecting Officer (CO) detailed at the OWWA POEA Collecting Unit were unrecorded in the books of the agency.	4.72
		Non deduction of released checks from Cash account	0.33
		Unrecorded bank charges due to absence of copy of debit memos from banks	0.004
		Unrecorded Debit Memos due to absence of documents due to absence of copy of debit memos from banks	0.90
		Unrecorded reissued stale and cancelled check	0.03
27	PAF	Unrecorded reconciling items as at year-end due to late submission of supporting documents by Air Force Finance Center (AFFC) and other concerned units to Air Force Accounting Center (AFAC).	8.44
28	PAGASA	Unrecognized reconciling items overstated the CIB-LCCA. Absence of Bank Statements caused delays in the timely preparation of BRSs and eventual failure of the concerned personnel on the timely adjustment of reconciling items.	5.06

No.	Agency	Condition/Reason	Amount (In Million ₱)
		Erroneous entries/non-recording of issued checks and debit memos	34.72
29	PhilSCA	Balance of the CIB-LCCA of PhilSCA as of December 31, 2019 consisting of four bank accounts with the Lank Bank of the Philippines (LBP) was unreliable due to delayed recording of interest income and other reconciling items since CY 2018	0.59
30	PHIVOLCS	Unrecorded collections from sale of bid documents and interest income due to delay/non preparation of BRS	0.01
		Unreliable CIB-LCCA account balance due to unadjusted payments for custom duties and taxes on BOC transactions; inclusion of dormant/inexistent PNB account; and unadjusted balance of inactive ATM-Payroll account	31.80
31	PN	Unrecorded reconciling items due to non-submission of supporting documents	0.95
32	POEA	SLs for the CIB-LCCA were not updated resulting in a difference from that of the GL, pertaining to identified reconciling item- unrecorded disbursement.	0.30
33	PNP	Unrecorded Book Reconciling Items and Accounting Errors	34.69
34	PTRI	Constructive receipt and remittance of Notice of Cash Allocation (NCA) for Tax Remittance Advice (TRA), and to BIR of taxes withheld through TRA, respectively, were not properly recorded; thus, the account Cash-TRA was not recognized in the books of accounts	6.51
35	PUP	Reported balance of CIB-LCCA of PUP Payroll Fund as of December 31, 2019 was overstated due to: deposits-in-transit which remained unadjusted in the bank records in the subsequent periods; deposits-in-transit and Outstanding checks/ADA pertaining to dividends from Provident Fund with no actual deposits and disbursements; and unrecorded material credit memos, debit memos and various book errors.	353.83
		CIB-LCCA of PUP Regular Trust Fund (Fund 184) as of December 31, 2019 was understated due to unrecorded credit memos, debit memos and book errors	9.78
		Non-preparation of BRS of the Scholarship Account since CY 2012 resulted in the accumulation of unaccounted prior years' book reconciling items; while debit memos, book errors and interest income during the year were not adjusted	12.07
36	PVAO	Unadjusted accounting errors and omissions	562.59
37	SEI	Unadjusted net book and bank reconciling items due to lack of pertinent information and supporting documents	5.92
		Unsupported adjustment of debit/credit memos in the BRSs	2.40
		Non-disclosure of two (2) bank accounts in the books contrary to Treasury Circular No. 01-2013 dated January 23, 2013	Not stated
38	UNACOM	Non-recording of deposits for CY 2019	6.11
39	CapSU, R6	Unadjusted reconciling items remained in the books	6.55
40	CCSPC, R12	Unrecorded cash accounts in the books of accounts.	5.58
41	CSPC, R10	Failure to (a) record valid reconciling items requiring adjustments which reflected in the BRS; (b) reconcile the book (GL and SL) balances with cashbook.	1.80
42	CVSU - Main Campus, R4A	Incomplete and unreconciled schedules for cash in bank accounts; and significant variance in the reported balances per bank confirmation and Cashier's Check Disbursements Record (CkDR) as compared with accounting records. Moreover, two savings accounts maintained by Main Campus were not properly recorded in the books as CIB-LCSA	17.27
43	DOSCST, R11	Non-recognition of book reconciling items per BRS due to laxity of the accounting personnel.	1.90
44	ESSU, R8	Unadjusted valid reconciling items; unreconciled balances in the books; and unidentified variance	11.42
45	FPRDI, R4A	Unadjusted reconciling items due to late receipts of Bank Statements from the LBP – UP Los Baños Branch, the Institute's government servicing bank	0.67

No.	Agency	Condition/Reason	Amount (In Million ₱)
46	GSC, R6	Deficiency in recording and reporting with regards to BRS	20.96
47	KSU, CAR	Charges made to Cash-MDS Regular account were not recorded resulting in the overstatement of the account as well as the corresponding Accounts Payable account by the same amount.	3.04
48	LNU, R8	Unrecorded online collections and net total of unrecorded interests, taxes and unadjusted erroneous recordings	6.47
		Prior years' deposits in transit and bank errors remained uncorrected by the AGDBs	2.23
49	PCAARRD, R4A	Unrecorded current account under LBP Account No. 1892-1002-80	0.04
		Accuracy and reliability of the CIB-LCCA as of December 31, 2019 was doubtful due to the net reconciling difference between the book and bank balances.	0.11
		Discrepancy was attributable to the system error where Journal Entry Vouchers (JEVs) were not captured by the generated SL.	0.003
50	PIT, R8	Prior years' bank errors remained uncorrected by the servicing bank.	0.13
51	SDSSU, R13	Sixty-one unreleased STF and PRM checks at year-end were not reverted back to the Cash in Bank, LCCA account	2.09
52	SLSU, R8	Unadjusted valid reconciling items	23.10
53	SPAMAST, R11	Unrecorded deposits and debit memos identified in the BRS remained unadjusted in the books as of December 31, 2019	0.004
54	UEP, R8	Non-recording of transactions	0.10
55	URS, R4A	Understatement of two bank accounts due to unrecorded payroll maintaining balance, interest income and taxes withheld, and prior years erroneous recording of CIB-LCCA caused by lack of manpower to do reconciliation of account	1.60
56	USEP, R11	Most of the reconciling items are not yet adjusted due to difficulty in identifying the source of deposits and nature of debit memo.	25.54
57	WMSU, R9	Current and prior years' reconciling items per book reflected in the monthly BRS as of December 31, 2019, were not immediately recorded in the books and cash records of the AO due to difficulty of determining and tracing the payee for such reconciling items/debit and credit memoranda. Accordingly, the bank could no longer trace the same and the only record they have is the branches where the deposits/credits have been made.	17.17
58	VSU, R8	Non-adjustment/recording in the books of valid reconciling items	8.91
59	WPU, R4B	Unreliable CIB-LCCA as at December 31, 2019 due to errors/reconciling items that need to be checked remained undetected and unadjusted in the books	279.57
60	WVSU, R6	Unaccounted/unrecorded long outstanding reconciling items in the BRS	4.09
61	ZSCMST, R9	Unrecorded bank charges and erroneous entries in the books	0.01
TOTAL			5,808.34

On the other hand, unreconciled, negative, dormant and unaccounted balances and existence of closed bank accounts amounting to ₱4.13 billion were noted in 32 agencies.

No.	Agency	Condition/Reason	Amount (In Million ₱)
1	BI	Unaccounted discrepancy due to non/delayed preparation and submission of BRS as at year-end due to late receipt of bank statements from the LBP	74.79
2	BIR	Existence of negative SL balances. Verification of the negative Cash Collecting Officers balances revealed that these resulted	0.02

No.	Agency	Condition/Reason	Amount (In Million ₱)
		from over remittance of Revenue Collection Officers' (RCOs) collections	
		Dormant balances	5.72
3	BOC	Presence of a negative balance in the account due to incorrect recording or failure to record transactions	185.87
		Dormant balances	46.30
4	CFO	Adjustment of bank/book reconciling items overstated the Accumulated Surplus/Deficit	0.03
		Collections for the period January 2, 2019 to December 31, 2019 from CFO Clark Satellite Office was not confirmed to have been deposited to the savings account of the BTr	2.37
5	CHED	Failure to reconcile the balance per books and bank	41.26
		Failure to reconcile the balance per books and bank	23.78
		Unreconciled balance per GL and SLs	1.02
6	COMELEC	Inclusion of SL captioned as "For Reconciliation", the nature and details of which could not be verified	1.46
		Unreconciled variance between book and bank balances; and existence of SLs captioned as "For Reconciliation"	1,719.74
		Existence of SL negative balance	180.86
7	DepEd, CO	Inclusion of the balance of closed bank accounts	18.64
8	DFA	Reporting difference between the balance per bank confirmation and SLs for account CIB-LCCA as at December 31, 2019	92.06
		Failure to reconcile the negative balances, unidentified bank accounts, and existence of closed bank accounts, unadjusted bank accounts of closed FSPs, unadjusted BRS reconciling items and dormant bank accounts	832.75
9	DOE	Unreconciled balance in book and bank records of the Training Commitment Fund in CIB-LCCA due to failure to prepare BRSs in 15 bank accounts	11.32
10	DOST, CO and CAR	Unreconciled variance between balances per books and bank (CO) and Unascertained bank balances (CAR) of CIB-LCCA and CIB-MDS accounts	11.01
11	DSWD	Unreconciled balance between book and bank balance; non-preparation of bank reconciliation statement due to non-availability and/or delayed receipt of bank statement	0.04
12	GHQ,AFP	Difference between the book balance and bank confirmation due to non-reconciliation of balances	1.09
		Non-existent having been closed for so many years and inclusion of balance marked as "unreconciled"	208.36
13	LRA	Presence of negative balances in the SL of AOs	6.11
		Postings in the CRJ did not tally with the monthly balances in the RCD	Not stated
14	NAP	The details of the Cash-Collecting Officers account balance were not ascertained due to incomplete SL.	0.003
15	NBI	Negative SL balance of the Cash-Collecting Officer account	0.67
16	NMP	Unreliable balances of CIB-LCCA balance due to inadequate supporting documents	1.33
17	PAGASA	Inclusion of negative year-end balances of bank accounts	2.79
18	PCAF	Year-end balance of CIB-LCCA is not supported with cash per bank confirmation reply that the Agency has no longer existing LCCA account for Fund 184 with the LBP. In effect, there is a discrepancy between the book and bank balances by the same amount.	0.05
19	PCIEERD	Unreconciled CIB-LCCA account due to unaccounted debit and credit memos, and undocumented beginning balance variance	0.05
		Existence of negative SL balances of Cash - Treasury/Agency Deposit, Trust	13.60
20	PNU	PNU Student Assistance Scholarships and Development Fund (SASDF) under LBP-YMCA Branch C/A No. xxxx-xxx-96 of PNU-Manila representing scholarship donor funds remain dormant due to absence of specific guideline that will serve as	5.24

No.	Agency	Condition/Reason	Amount (In Million ₱)
		basis in the handling of the funds to implement the program provided under Section 7a. of R.A. 7168, the PNU Charter.	
21	PUP	Unreconciled balances of payment to employees	17.85
22	STII	SLs of cash accounts have negative balances due to erroneous posting or improper categorization of funds in the SLs.	4.91
		Unadjusted book balances presented in the monthly BRSs differed from the balances in the general ledgers	10.44
23	CapSU, R6	Non-reconciliation of their records at least on a quarterly basis.	0.77
24	CSPC, R5	Prior and current years' book reconciling items for the Cash-Collecting Officers account remained unadjusted due to inability of the Cashier and the Accountant to reconcile their records.	0.01
25	CVSU – Main, R4A	Eleven-asset and three-liability accounts of Main Campus posted abnormal balances	2.40
26	EVSU, R8	Abnormal year-end balances	85.70
		Discrepancy in balances between the Bank Confirmation and GL; and GL and SL of respective Campuses; doubtful existence of book balances without the corresponding bank accounts	186.40
		Doubtful existence of book balances without the corresponding bank accounts	304.21
27	GSC, R6	Advances for Payroll as of July 2019 could not be ascertained due to unsubstantiated adjustments made in the GL	Not stated
28	LNU, R8	Unsubstantiated adjusting entries, rendering the balance unreliable	4.45
29	RSU, R4B	Unreliable accuracy and existence of the year-end balance of the CIB-LCCA and MDS, Regular account as of December 31, 2019 due to the failure to prepare the BRS on all bank accounts maintained by the University for all funds thereby, errors/reconciling items that need to be checked remained undetected and unadjusted in the books	6.52
30	SKSU, R12	Non-reconciliation between Accounting and Accountable Officers' records	0.55
31	WPU, R4B	Failure to prepare the BRS as of year-end on all bank accounts maintained by the University	6.73
32	WVSU, R6	Failure to reconcile online deposits made to Newborn Screening Center Visayas (NSCV) accounts	9.84
Total			4,129.10

4) Cash transactions amounting to ₱628.71 billion were misclassified, or erroneously posted or recorded, or recorded twice, or balances of lapsed NCAs not reverted/closed in 29 agencies.

No.	Agency	Condition/Reason	Amount (In Million ₱)
1	BTr-NG	Closing of Cash-Treasury/Agency Deposit, Special Account to Accumulated Surplus/(Deficit) without corresponding funding source code provided in the List of UACS Code issued by the DBM, contrary to RCA, GAM for NGAs Volume III	625,993.11
2	CHED	Erroneous reconciliation of balances per books and per bank	23.78
3	COMELEC	Various deposits that overstated the Payroll Fund account and understated the appropriate account under the CIB – LCCA	56.72
4	DA	Incorrect recording of collection of unutilized fund transfer from PSO and double recording of its deposit	0.59
5	DAR	Deposit to BTr erroneously recorded to account Cash-Treasury/Agency Deposit, Trust and was not closed at year end	1.24
6	DepEd NCR, CAR, IV-B, and VIII	Errors in recording collections and deposits	0.20
		Errors committed in various recordings	144.85
7	DFA	Double recording of collections	8.19

No.	Agency	Condition/Reason	Amount (In Million ₱)
		Double booking of transactions under account Cash-MDS, Regular	0.03
		Accounting errors in recording NCA	2,019.32
8	DOH	Erroneous use of accounts	28.49
		Improper/Erroneous recording of Transactions	350.02
9	DOJ	Double recording of collections and deposits	0.01
10	DOLE	Deposits in the BTr recorded as deposits in PVB Trust Account	2.11
11	DSWD	Errors in recording grant and liquidation	0.10
12	ERC	Understatement of PCF account balance due to incomplete and inaccurate set-up entry by the Accounting Division/Unit of the granting of cash advance for the PCF of the subject AO	0.10
13	FNRI	Erroneous recording of unreleased checks to Accumulated Surplus/Deficit instead of Cash-Treasury/ Agency Deposit, Trust and other adjustment	1.49
14	FSI	Subsidy from National Government account was debited instead of the account Cash, Treasury/Agency Deposit, Regular	0.09
15	LRA	Discrepancy between the GL and SL balance of CCO account due to rampant errors committed in the reporting and/or postings in the account	3.35
		Discrepancy between the ending balances of the SL in CY 2018 and opening balances in CY 2019 of 14 collecting officers due to rampant errors committed in the reporting and/or postings in the account	15.60
16	MARINA	Misstatements non-recognition of liquidation of cash advances and double recording of settlement	0.20
17	MPC	Erroneous recording of establishment and replenishment of Petty Cash Fund	0.59
18	NBI	Erroneous posting of transaction, lack of regular reconciliation	0.01
19	NPO	Various recording and posting errors	0.11
20	OSG	CIB-LCCA was overstated because it included collection of performance bond which should be deposited to the National Treasury	0.76
21	OWWA	Erroneous/double recording of disbursements, amount recorded was more than the amount disbursed	0.06
		Erroneous recording of disbursements, amounts recorded were less than the amount disbursed	0.07
		Erroneous recording as Cash instead of Due from ROs	0.06
22	PUP	Unpaid and unclaimed salaries and allowances recognized as Outstanding checks/Advice to Debit Account (ADAs)	2.54
23	UNACOM	Non-reversion or closing of the balance of lapsed NCA for trust receipts and erroneous classification of accounts	4.18
		The account Subsidy from National Government was debited instead of the account Cash, Treasury/Agency Deposit, Regular	0.12
24	BU, R5	Amount accounted under Cash-Collecting Officers was inappropriately reclassified to Due from Officers and Employees account instead of requiring the immediate remittance/turn-over of the balances which remained outstanding for at least one month to eight months.	0.07
25	CFCST, R12	Funds transfers from MDS Fund to Trust Fund Accounts were made despite deficiencies in supporting documents	4.47
26	CPSC, R10	Receipts of refunds for excess cash advances and the subsequent remittances thereof to National Treasury were not accounted for in the books of accounts as Cash – Collecting Officer and Cash Treasury/Agency Deposit, Regular accounts, respectively, but directly recognized as expenses	0.72
27	NIPSC, R 6	Erroneous recording of collections	0.06
28	NORSU, NIS	Collections and deposits were directly recorded to the CIB-LCCA	43.46
29	MSU-IIT, RO 10	Collections were directly recorded at month end to its corresponding Cash in Bank Account through adjusting entry.	1.22
TOTAL			628,708.09

5) Other practices in as many as 41 agencies which manifest weak internal control in the handling of cash transactions included the following:

Practice	No. of Agencies	Cash Accountability (In Million ₱)
1) Deficiencies in handling of Petty Cash Fund (PCF) such as grant of excessive PCF, payments of expenses other than petty operating expenses or in amounts exceeding ₱15,000.00, non-preparation of PC Vouchers, non-maintenance of appropriate records and registries, non-replenishment of PCF, as needed or when disbursements reached 75 percent, among others.	32	18.55
	17	Not stated
2) Non-compliance with Treasury Circular No. 02-2009 and COA Circular No. 97-002 on the posting of fidelity bond, which include among others, inadequate bond coverage and AOs or other personnel performing collection/disbursing functions without approved bonds or bonds not renewed	9	438.83
	40	Not stated
3) Various observations on Official Receipts (ORs) include OR not pre-numbered, discrepancies in information found in ORs as against RCDs, absence of ORs to support collections, or delayed issuance of ORs, non-issuance of ORs in numerical order, ORs issued without dates or signature, etc.	7	80.57
	12	Not stated
4) Non-cancellation of stale checks or unreleased checks not restored to the Cash account; signed blank checks; dishonored checks; non-disposal of unused obsolete checks	38	238.73
	3	Not stated
5) Non-preparation/non-submission of cash reports/records/ registries/ subsidiary ledgers; unupdated cashbook/CDR; non-compliance with report format, etc.	35	11,247.58
	36	Not stated
6) No proper turn-over reports of accountability between the outgoing and incoming Collecting Officers (COs); CAs granted to personnel without official designation; CAs transferred or handled by different employee/AO; Non-segregation of duties; Collecting officers not properly designated	2	0.96
	14	Not stated
7) Disbursements paid thru cash advances/MDS checks instead of payment thru checks/ATM/Modified Direct Payment Scheme (MDPS)	6	60.24
	1	Not stated
8) Merging of funds resulting in difficulty of identifying collections for each fund	1	Not stated
9) Collections on the last working day recorded as deposited but actually deposited on the next banking day; Non-recording of daily transactions; Collections were directly recorded at month end through adjusting entries; Collections and deposits recognized on a monthly basis instead of daily	2	2.91
	1	Not stated
10) Release of the 4th quarter cash requirement even if the two month initial cash advances had been replenished at the end of 3rd quarter	1	17.55
11) Collections not kept in safe; Office/work are not properly enclosed/safeguarded	2	52.13
	7	Not stated
12) Daily remittance/collections not supported with sufficient documents/information/details; Unsupported claims/debit/credit memo	4	44.48
	1	Not stated
13) Non-implementation of ExMDPS for APs due to creditors/payees; Non-maintenance of separate bank accounts for Higher Education transactions	2	156.12
	3	Not stated
14) Cash bond paid have not been requested for refund; CA refund was not remitted to BTr	2	2.64
15) Unsettled custody/control over the Tropical Forest Conservation Foundation, Inc. (TFCA2) Fund	1	1,359.59

Recommendations

The Auditors recommended that concerned Agency officials, among others:

- a) Prepare the necessary adjusting journal entries to correct errors/omissions and improper recording of transactions, as well as the misclassification of accounts and negative balances; and henceforth, observe the proper recording of accounts

and transactions in accordance with the GAM and other existing accounting rules and regulations. Restitute the missing funds and submit explanation why the shortage occurred. Moreover, follow strictly the period prescribed under Section 5.1.1 of COA Circular No. 97-002 and Section 15 of the GAM pertaining to the liquidation of cash advances for payroll;

- b) Establish the identity of the Special Collecting Officers (SCOs) accountable for the undeposited collections, demand remittance of the funds and maintain subsidiary ledgers (SLs) for each SCO in the eNGAS to facilitate the recording and monitoring of cash accountability of every SCO. Record collections and disbursements through the use of Cash Receipts Record (CRRc) and Cash Disbursements Record (CDRc) or Petty Cash Fund Record (PCFR), respectively. Ensure that all outstanding accountabilities based on accurate SL balances are fully settled prior to the issuance of clearances to retiring or any outgoing accountable officer. Strictly adhere to the provisions of Section 69 of PD No. 1445 and Appendix 26 of the GAM on the proper handling and custody of collections in order to safeguard government funds from possible misuse or misapplication thereof;
- c) Officially designate a PCF Custodian and SDOs who can function as one and direct the assigned Accountable Officer (AO) to maintain the prescribed cashbook for the recording of all valid transactions out of the PCF and special disbursements. Regularly submit report of disbursements and replenish petty cash when disbursements reach at least 75 percent. Strictly limit the transactions through PCF to allowable amount of ₱15,000.00 per disbursement. Strictly heed the provisions on the grant and utilization of cash advances prescribed in Chapter 6, Volume I of the GAM, and the COA Circular 97-002. Adopt the prescribed controls and procedures in the maintenance and recording of PCF under pertinent sections of the GAM, COA Circular No. 2012-001 dated June 14, 2012, amended by COA Circular No. 2013-001 dated January 10, 2013, Section 2 and 4 of PD No. 1445;
- d) Secure fidelity bond for each AO before any cash advance be granted to them in compliance to Section 101(2) of the PD No. 1445 and Section 4.1 of Treasury Circular No. 02-2009. See to it that the fidelity bonds of all AOs are up to date to avoid their expiration and ensure recovery of losses arising from cash shortage;
- e) Observe proper issuance of accountable forms strictly in numerical sequence; and exercise due diligence in the discharge of collection functions especially in the issuance of ORs to avoid errors and preclude doubts on the authenticity and accuracy of the reported collections/receipts;
- f) Revert the stale checks back to its proper bank account and record regularly the cancellation of any stale checks; abide by the provisions of GAM, particularly Section 56, Chapter 9 - Financial Reporting for the fair presentation of the Cash – MDS account in the FS; ensure that internal control measures are in place pursuant to Section 123 and 124, PD No. 1445 and GAM, Volume II;

- g) Maintain the prescribed record book/books for control purposes. Ensure the accuracy and physical existence of their cash on hand thru reconciliation with their cashbook balance daily. Require at least quarterly, the AOs to reconcile their record book or its equivalent with the accounting records to establish proper accountability;
- h) Instruct the Collecting Officers (COs) for a proper turn-over of cash every time cash is transferred to the assigned CO for deposit. Cash items should be properly itemized, counted in the presence of the COs concerned and an acknowledgment receipt be issued by the depositor CO for the amount received by from each of the CO;
- i) Strictly adhere to the guidelines prescribed in the Department Circular No. 01-2017 of the DOF in the maintenance of government funds with Authorized Government Depository Banks (AGDB);
- j) Ensure the full implementation of the MDPS on the settlement of accounts to all internal and external creditors and payees. Strictly adhere to the provisions and purposes for which the Payroll Fund (PF) account was established. Likewise, discontinue the practice of using the PF account as depository for collections and refund of cash advances/excess cash advances, and funds intended for other specific purpose/s; and discontinue the practice of disbursing funds from the PF for transactions other than payment of salaries, overtime and other allowances and avoid the payment or issuance of checks for expenses pertaining to MOOE, instead issue checks against the MDS account for the payment of these expenses;
- k) Payments to the scholarship grantees be made through check or ATM instead of cash advances by the Cashier to eliminate, if not, minimize the possibility of losses, misappropriations of scholarship funds and to promote operational efficiency;
- l) Stop the practice of signing blank checks to avoid the possibility of misappropriation of funds;
- m) Properly determine the total daily collections for each fund to avoid over or under deposits and reconcile balances with the Accounting Office in compliance with Section 112 of PD No. 1445. Maintain separate cashbooks for Fund 05 and Fund 06 in compliance with COA Circular No. 2002-002 and NBC No. 331;
- n) Observe the two-month cash requirement limitation for fund transfers to ROs and RSO by not replenishing their funds for the liquidations made for the third quarter of the calendar year;
- o) Close the unauthorized current accounts and cause the immediate remittance to the National Treasury of the remaining balances of the bank accounts pertaining to Donations, Grants and Trust Receipts pursuant to Sections 5 and 6, General Provisions of the 2019 GAA, if warranted; and refrain from opening trust accounts without prior authority from the BTr/DOF. Submit the post-facto

authority granted by BTr in maintaining Local Currency Current Accounts, otherwise, cause the closure and reversion of funds deposited therein to the BTr;

- p) Orient the newly appointed SDOs of their duties and responsibilities, rules and regulations concerning the handling of cash advances and other matters related to their work before discharging their duties; stop the practice of transferring cash accountability to other personnel pursuant to Section 4.1.5 and 4.1.6 of COA Circular No.97-002;
- q) Provide the SDOs with safety box/vault or steel cabinet for the safekeeping their accountabilities. Ensure that combination of safe/ vault is changed whenever there is a change of custodian. Ensure that the work area of the Cashier is properly enclosed and secured to amply protect said officer against intrusion by unauthorized persons;
- r) Analyze the dormant/non-moving/closed accounts and make necessary adjustments in the books of accounts to reflect the correct balances of the account;
- s) Send a confirmation letter verifying the deposits and/or remittances to BTr at least twice a year to avoid discrepancies in record keeping; and continue communicating with BTr to resolve the any unverified deposits of collections to its savings account and to monitor its progress;
- t) Submit the necessary documents/evidence to support the validity and regularity of the disbursement made charged against cash advances intended as operational fund of the ROs and; to remit the excess balance to the BTr;
- u) Create a task force, to be headed by the Chief Accountant to cleanse the books of accounts of the Agencies;
- v) BTr-NG, to coordinate with the Undersecretary of the International Finance Group (IFG) to seek the interpretation of the TA to clarify who has the custody/control over TFCA2 Fund and the duty to keep the books, records, and documents relating to the TFCA2 Fund; and
- w) Maintain properly the CHED-UniFAST Higher Education Program funding as provided by its Memorandum No. 2018-002 dated August 8, 2018.

B. RECEIVABLES

Receivable account balances in as many as 99 agencies are unreliable due to significant amounts of unliquidated cash advances and fund transfers, unsupported/ undocumented dormant accounts, erroneous recording, and other deficiencies noted, contrary to existing laws, rules and regulations which may result in substantial losses to the government.

Analysis of the receivable accounts disclosed the following conditions, in material amounts:

Condition/Reason	No. of Agencies	Amount (In Million ₱)
a. Unliquidated cash advances (CAs)/delayed liquidation of CAs; granting of CAs to officers and employees without liquidating previous CAs; and other lapses in the grant, utilization and monitoring of CAs	99	14,947.38
	1	Not stated
b. For fund transfers (FTs) to:		
– Procurement Service-DBM (PS-DBM) – unliquidated FTs; unrecorded/erroneous recording of deliveries of goods and air fares; unreconciled balances between PS-DBM and agencies' books; and dormant FTs	48	12,125.50
	1	Not stated
– Philippine International Trading Corp. (PITC) – unliquidated FTs representing undelivered various infrastructures, machinery and equipment, office supplies and materials and other items	18	11,105.41
– Government Arsenal (GA) – unliquidated FT	1	99.45
– Other Agencies e.g. Implementing Agencies (IAs) and NGOs/POs – unliquidated FTs due to inability to enforce timely liquidation by IAs, delayed recording of liquidation and continued releases of FTs despite unsettled previous years' balance; discrepancy between the records of the Source Agencies (SA) and IAs	43	81,211.51
c. Dormant/long-outstanding/non-moving receivables for 1 to 114 years or more	83	44,303.16
d. Unsupported receivables; lacking information/details/breakdown; unadjusted receivables; unsubstantiated adjustments	39	1,383.43
	2	Not stated
e. Erroneous recording of receivables/CAs/liquidations; Erroneous computation; Incorrect presentation of Advances to Contractors account in the FS; Doubtful validity of advances to contractors; Non-disclosure of significant information in Due and Demandable Bonds and Total Bill of Lading on goods not lodged in the Electronic-to-Mobile (E2M); Unnecessary closing and reestablishment of the CA every month	48	4,527.06
	1	Not stated
f. Negative/abnormal balances of receivable accounts	21	773.91
g. Unrecorded/unbooked receivable transactions	38	1,043.63
h. Uncollected/unsettled receivables	32	5,078.18
i. Unrecouped Advances to Contractors	9	2,616.68
j. Other deficiencies noted:		
1) Unreconciled balances of accounts; unreliable/inconsistent balance; discrepancy between accounts and/or records	47	6,644.67
2) Unassessed school fees; Maintenance of multiple loan accounts each for one/several borrowers; Improper/Non-usage of required Accountable forms	2	0.86
	2	Not stated
3) Failure to update Allowance for Doubtful Accounts	1	2.33
4) Non-validation of NGO's fund utilization reports resulting in erroneous recording of expenses	1	12.32
5) Non-provision/non-adjustment of Allowance for Impairment; Impairment loss on Accounts Receivable was not sufficiently recognized; Doubtful Allowance for Impairment	10	73.91
	1	Not stated

Recommendations

The Auditors recommended that the Accountant/other concerned officials:

- a) Adhere strictly to the rules and regulations on the grant, utilization and liquidation of cash advances and ensure proper monitoring pursuant to Section 89, PD No. 1445, COA Circular 96-004, and COA Circular. No. 97-002 dated February 10, 1997; stop the practice of granting special CAs to officers and employees who are not duly designated as SDOs; require all Accountable Officers (AOs) to settle/liquidate immediately their cash advances (CAs) within the prescribed period or once the purpose for said advances were already served; otherwise, send demand letters to liquidate the same and refund all remaining unutilized balances, or cause the withholding of salaries of personnel with outstanding accounts, if warranted and refrain from granting new or additional advances to AOs with

unliquidated CAs; trace the missing documents and locate the whereabouts of the separated employees with long outstanding CAs and require the immediate settlement or consider evaluating the provisions of COA Circular No. 2016-005 dated December 19, 2016 if these dormant or non-collectible accounts are qualified for write-off;

- b) Regularly monitor the balances of unliquidated fund transfers (FTs); use the unutilized FT for future orders instead of transferring additional funds and coordinate and discuss a resolution for the long outstanding FTs; stop the practice of granting FT to the IAs with unliquidated balances; refrain from transferring funds, unless extremely necessary; and investigate and reconcile the discrepancies between the Detailed Schedule of the account versus Confirmation result; regularly reconcile records in order to establish the correct balance of the account;
- c) Prepare journal entries to recognize the unrecorded assets and correct the misclassification and other errors/negative/abnormal balances/discrepancies noted, to reflect the adjusted balances of the affected accounts in the books of accounts; and, observe the proper recording of accounts and transactions in accordance with the GAM and other existing accounting rules and regulations. Prepare/maintain SLs and supporting Schedules to show the details/breakdown of the Accounts Receivable balance in order to facilitate validation and reconciliation with the balances as reported in the GL;
- d) Demand from the contractors the immediate return of the unrecouped advances; apply the cost of unbilled accomplishment to outstanding advances; and, closely monitor the advance payments and ensure recoupment thereof through deduction from the progress payment. Require the legal office/unit to issue demand letters and institute all necessary legal actions such as filing the appropriate collection suit against the defaulting contractors and/or forfeiture of the performance guaranty;
- e) Intensify the verification/analysis and location of related records and supporting documents of unidentified/unsupported balances. Submit to COA complete supporting documents pursuant to COA Circular No. 2012-001 dated June 14, 2012; otherwise, reverse the entries already made. Verify the cause/s of the undocumented accounts and adjust the accounts in the books of the agency;
- f) Furnish the Accounting Unit with supporting documents such as Billings and notice of payments to/from CHED and list of officially enrolled students with corresponding balances for recording of Receivables and formulate policy guidelines on tuition fee collection and evaluate the need to reinstate the Assessment Unit with improved controls;
- g) Demand all the recipient NGOs/POs and private entities to submit complete documentation of fund utilization or Financial Reports (FRs), in strict adherence to Section 5.4 of COA Circular No. 2007-001, and Sections 2.1 and 2.2 of COA Circular No. 2012-001, otherwise undocumented transactions shall be disallowed in audit;

- h) Provide Allowance for Impairment Loss for receivables in order to have a fair presentation of the financial statements as required under Section 10, Chapter 7 of the GAM and establish a clear-cut policy on provision for allowance for impairment arising from risk of non-collectability; and
- i) Reconcile the reciprocal accounts and prepare entries to eliminate the effects of intra-agency transactions. Likewise, institute a thorough monitoring of these reciprocal accounts by ensuring that entries made by CO are properly reciprocated in the RO books.

C. INVENTORIES

Deficiencies observed in transactions of as many as 48 agencies pertaining to the Inventory accounts in a number of agencies included, among others, unsupported transactions, unrecorded issuances of supplies/materials and purchases/deliveries, presence of idle, damaged, obsolete/expired/ unserviceable and dormant items, and erroneous recording and misclassification of inventory transactions. Moreover, the existence of obsolete, dormant or slow/non-moving inventories may lead to wastage of government funds.

Audit of the Inventory accounts of several agencies for CY 2019 revealed the following conditions resulting in unreliable year-end balances, in substantive amounts:

Condition	No. of Agencies	Amount (in Million ₱)
a. Unrecorded issuances/disposal/loss/transfer of inventory/ semi-expendable property or Report of Materials and Supplies Issued (RSMI)	48	19,287.19
	1	Not stated
b. Unrecorded purchases/deliveries/donations of inventories or semi-expendable property	16	339.47
c. Unsupported/undocumented Inventory transactions; non-maintenance/updating of Subsidiary Ledger Cards (SLCs) or Stock Cards (SCs) by the Accounting and Property Offices, respectively, or Inventory Custodian Slip (ICS)	29	456.30
	10	Not stated
d. Idle, damaged, obsolete/expired/unserviceable, dormant or non/slow-moving Inventories ranging from 1 year to 17 years; non-conduct of impairment analysis	14	170.54
	2	Not stated
e. Erroneous recording of Inventory transactions/ misclassification of accounts/abnormal or negative balances;	36	1,234.22
	2	Not stated
f. Other practices affecting the reliability of the Inventory accounts:		
1 Non-conduct or incomplete/partial physical count of Inventories and delayed or incomplete or non-submission of the Report of Physical Count of Inventories (RPCI)	27	4,483.83
	7	Not stated
2 Unreconciled Accounting and Property records; non-reconciliation of SLCs vis-à-vis SCs/RPCI	51	7,128.87
	1	Not stated
3 Non-observance of Perpetual Inventory Method/ Inventories taken up as outright expenses	23	1,769.87
	1	Not stated
4 Overstocking of supplies/inventories;	1	18.00
5 Non-adherence to the proper monitoring, controlling and recording of acquisitions and disposal of inventory	2	76.52

Recommendations:

The Auditors recommended that concerned Agency officials, particularly the Accountant and Property/Supply Officer to:

- a) Draw a journal entry voucher to adjust/take up in the Agency books the unrecorded purchases and issuances and correct erroneous entries or misclassification of Inventories; and henceforth, observe the proper recording of accounts and transactions in accordance with the GAM, and other existing accounting rules and regulations;
- b) Submit the lacking and/or original copies of the necessary documents to support the affected transactions;
- c) Strictly comply with Section 9 of GAM Volume I, on the use of Perpetual Inventory System which requires the recording of all purchases and issuances of supplies as they take place using the proper accounts; and maintain the SLC differently from the Property and Supplies Section and conduct periodic reconciliation of records particularly, the reconciliation of SLCs and SCs/RPCI. The Accounting Office, to exert extra effort to trace/analyze the dormant accounts and its supporting documents;
- d) Property Custodian/Personnel In-Charge of Inventories, to record issuances of supplies daily in the RSMI and submit the monthly report to the Accounting Section. Instruct the Supply Section to ensure that procurement of supplies and materials shall not exceed the three-month requirement and other requirements in compliance with EO No. 292, to avoid overstocking or wastage of inventories. Complete the issuance of the ICS for tangible items classified as semi-expendable property in compliance with the provisions of Chapter 8, GAM for NGAs;
- e) Create an Inventory Committee to conduct a complete physical count of inventories semi-annually, prepare the RPCI and submit to the Office of the Auditor every six months, the duly certified and approved RPCI for each type of inventory;
- f) Require full coordination on the proper recognition of gross yields from rice production in the books as Merchandise Inventory-Agricultural Produce and accounting of palay produced at the point of harvest and effect the appropriate adjustment in the books;and
- g) Facilitate the disposal of the damage/obsolete and expired inventory items to prevent further deterioration of the assets and decongest the storage are

D. PROPERTY, PLANT AND EQUIPMENT (PPE)

Unreliable account balances of PPE accounts are noted in as many as 93 agencies due to unrecorded or erroneously recorded transactions,

disposed/lost/missing/donated/transferred PPEs not dropped from the books, non-provision for depreciation expense, undisposed PPEs, insufficiency of documents/non preparation of the required reports, among others.

Verification of PPE accounts showed the following conditions:

Condition	No. of Agencies	Amount (in Million ₱)
a. Unrecorded purchases/deliveries, completed projects, IT communication and other equipment, land and buildings, motor vehicle, fabricated machineries	28	41,967.52
b. Unrecorded donated motor vehicles, firearms, land and buildings, Artworks and various equipment (excluding 4 agencies with undetermined amount)	24	934.98
	5	Not stated
c. Disposed/lost/missing/destroyed/donated/transferred PPE such as vehicles, firearms, ICTE and other Office and Machinery equipment not dropped from the books of the Agency	47	12,490.10
d. Erroneous recording of PPEs or misclassification of accounts	92	307,532.09
e. Non-provision for depreciation/erroneous computation of depreciation or non-provision of allowance for impairment losses	41	834.00
	13	Not stated
f. Undocumented/unsupported PPE transactions due to the absence of or failure to update PPELC and SLCs /Schedules supporting the GLs, or any accounting records or certificate of ownership	49	14,666.31
g. Idle or unutilized PPEs for years ranging from 1 to more than 20 years due to defects of completed project or absence of furniture/tables/chairs in school.	15	852.02
h. Undisposed unserviceable PPEs due to inadequate monitoring of the concerned Agency official to comply with prescribed report	68	1,226.90
i. Non-conduct/completion of physical inventory of PPEs	43	24,136.03
j. Uninsured or inadequately insured PPEs due to non-preparation of required Physical Inventory Report or due to funding constraints	38	14,169.83
k. Non-preparation/maintenance/updating or submission of required PPE reports/records (SLCs, SCs, RPCPPE, PAR, IIRUP, etc.)	23	7,329.07
	5	Not stated
l. Unreconciled PPE balances between Accounting and Property records (GL, RPCPPE, PPELCs/SLCs and SCs) due to non-conduct of periodic reconciliation of accounting and property records and failure to update property and accounting records	93	25,716.82
m. Other observations/deficiencies		
a. Technical and scientific equipment not properly stored due to lack of storage facility	1	17.73
b. No labeling of PPEs/inventory tags/unsupported by PAR	6	628.68
c. Properties issued to persons other than the intended users	2	2.57
d. Claim for payment of goods paid despite incomplete delivery without imposing liquidated damages	1	0.18

Recommendations

The Auditors recommended that the concerned officials, particularly the Accountant and Property/Supply Officer to:

- a) Strictly follow the accounting system prescribed under the GAM Volume I on recognition and acquisition of PPEs as well as proper classification of accounts to fairly present the PPE balances in the FSs at year-end. Further, revisit the PPE recognition criteria under PPSAS 17. PPE acquired through donation should be properly appraised by an Appraisal Committee and the appraised value will be used in recording the transaction. Moreover, capitalize/record all major repairs/reconstructions of buildings/other structures as PPE;
- b) Prepare Journal Entry Vouchers (JEVs) to book up, reclassify, or derecognize the following: (i) unrecorded assets including capitalized assets, (ii), semi-expendable items included in the PPE accounts, (iii) PPEs already disposed/demolished/destroyed or considered lost/missing/ unaccounted, or donated/transferred to other offices/NGAs, and other adjustments to correct noted errors/deficiencies in recording of transactions;
- c) Review/analyze the PPE accounts and their useful life regularly, and ensure the correct provision of depreciation or allowance for impairment losses on said PPEs pursuant to Sections 22 and 27 of the GAM, Volume I, in order to reflect an accurate carrying value of the assets at year-end;
- d) Submit the complete required supporting documents to support the acquisition or disposition of the PPEs, as basis in determining the correctness of the recorded transactions and facilitate validation by the Audit Team. In the case of untitled land, exert efforts to hasten the transfer of ownership and immediate registration of the lot/s under the name of the Agency with the Register of Deeds in accordance with Section 58, PD No. 1445 and Section 3 (c), Chapter 10, GAM, Volume 1. For buildings/ structures, abide with the provisions of PD No. 1096 on securing building or occupancy permits. Further, for lost or destroyed PPEs, submit to the Auditor copy of the request for relief of accountability and/or write-off for lost government properties and records caused by fire to substantiate the dropping of assets from the Agency's books of accounts in conformity with Section 73, PD No. 1445 and COA Circular No. 93-404 dated October 18, 1993;
- e) Analyze the composition of the PPE accounts and identify the dormant, idle, or unutilized PPEs that would no longer provide economic benefits to the agency, and dispose the same either through sale or donation to other government agencies. Comply with the guidelines under COA Circular No. 2016-005 dated December 19, 2016 on the proper disposition/closure of dormant PPEs. Similarly, instruct the Disposal Committee to immediately dispose the unserviceable, obsolete and fully depreciated properties in accordance with Section 79, PD No. 1445 and the Manual on Disposal of Government Properties to avoid further deterioration/loss of assets value and generate additional income from their disposal;

- f) Comply with Section 38, Chapter 10, GAM for NGAs, Volume I on the conduct of physical inventory of PPE by the concerned Agency personnel; otherwise file an administrative disciplinary action for non-compliance of the same. Create a Team to focus mainly on the physical count of PPE as well as prepare and submit the inventory report not later than January 31 of the following year as required in Sections 38 and 42.g, Chapter 10, GAM, Volume 1;
- g) Require the submission of an updated inventory of all insurable properties to the General Insurance Fund (GIF) using the form prescribed by the GSIS for determination and approval of appropriate insurance coverage; and obtain an adequate insurance coverage for the insurable assets and properties with the GIF in compliance with RA No. 656 or the Property Insurance Law and COA Circular No. 92-390 dated November 17, 1992. Include in the Agency's annual budget the insurance premiums for all insurable assets and properties;
- h) For the Property and Supply Officer, issue the PARs to end-users, and renew them every three years or every time there is a change in custodianship/user of the property. Also, comply with the provisions of Chapter 10, GAM, Volume I on the maintenance of Property, Plant and Equipment Ledger Cards (PPELCs) and Property Cards (PCs) by the Accounting Office and Property/Supply Office, respectively, as well as the reconciliation between the GL and RPCPPE balances and preparation of adjustments, if warranted;
- i) Comply with other pertinent and existing rules and regulations pertaining to PPEs' proper storage, labeling or inventory tags and adoption of a uniform property identification system per Section 21, Chapter 10, GAM, Volume I, authority/entitlement and issuance of motor vehicles to Agency officials, monitoring and other control measures to properly safeguard government PPEs from risks of loss or misuse, among others;
- j) Charge those accountable officers who are still connected with the agency for the missing PPE, and deduct from the final pay of retired employees whose final pay had not been released/cleared by the Accounting Division; determine the liability of the persons in-charge, who cleared the retired/separated employees from property accountability even if these employees have unreturned government property. Strictly adhere to the provisions of Section 21 and 41, Chapter 10 of GAM for NGAs in the management and accountability of PPE;
- k) Put to use/operationalize and utilize idle PPEs and conduct an in-depth feasibility study before procurement of equipment for specific purposes in the future to prevent similar wastage of government funds and property; and
- l) Demand from the supplier the refund of the cost of undelivered items/goods and submit a written explanation on why the claim was processed and paid without imposing liquidated damages despite incomplete delivery; otherwise, subject claim shall be suspended and/or disallowed in audit.

E. INVESTMENTS

Reported deficiencies/practices in as many as three agencies such as erroneous recording, undocumented or dormant investment, and non-amortization of investments led to doubtful validity and correctness of the Investment account balances as of December 31, 2019:

Condition	No. of Agencies	Amount (In Million ₱)
Unbooked interests earned from Investment in Stocks or losses (TESDA)/ Non-recognition of accrued interest income for newly-acquired investment (MDFO)	2	28.19
Undocumented/unsupported or dormant investments (CDA, LRA)	2	15.30
Erroneous recording/presentation in the FS of investments or misclassification of Investment accounts (DOH, DAR, PSU)	3	146.21
Other practices/deficiencies affecting reliability of Investment accounts: 1. Non-amortization of Held-to-Maturity Investments (MDFO)/Non-recognition of Allowance for Impairment of Investment Stocks (CDA)	2	9,489.89
2. Non-accrual of bond discount/premium amortization and interest income, and non-recognition of corresponding taxes (MDFO)	1	78.34
3. Investment in government securities were under different client names; Investment in Stocks without corresponding Certificate of Stocks (TESDA, CDA)	2	210.71
4. Variance of stock certificates between the Cashier and Accounting records (CDA)	1	17.03

Recommendations

The Auditors recommended that concerned officials:

- a) Analyze the Investment accounts and corresponding supporting documents and make necessary adjustments/reclassifications to the appropriate accounts of erroneously recorded/misclassified transactions. Effect the necessary restatement entries to correct the final and beginning balances of the CY 2019 consolidated financial statements;
- b) Prepare and maintain subsidiary ledgers for all accounts and monitor and recognize interest income earned and accrued interest paid in advance upon acquisition of new bond investments, and adjust the Investments account accordingly; and, henceforth, compute the accrued amortization of bond discounts/premiums and interest income every year-end;
- c) Consider investment in shorter periods or five years in the maximum for availability of funds, after maturity, pursuant to its intended purpose; and use one client name for investment placement out of the TESDA Development Fund (TDF);
- d) Prepare an assessment of the recoverability of the Investments and based on its result, provide Allowance for its Impairment;
- e) Create a team/exert extra effort to work back/locate the available accounting records to support the recorded investment account, and submit the necessary documents and supporting schedules to substantiate the account balances. Coordinate with the Legal Office for any legal remedies on the missing Stock Certificates. Hasten the reconciliation of the difference between the book balance and the actual stock certificates;

- f) Formulate and strictly implement internal control policies requiring timely submission of reports consistent with requirements in the GAM and immediate submission of supporting documents to the Accounting Division for recording purposes, taking into account the deadlines and imposition of corresponding penalties for non-compliance in the submission of different agency transactions;
- g) Apply the effective interest method/amortized cost measurement on the held-to and newly held-to-maturity investments and adjust the affected accounts.

F. BIOLOGICAL ASSETS/INTANGIBLE ASSETS/OTHER ASSETS

Deficiencies noted in the transactions of as many as 16 agencies affecting the reliability and accuracy of the balances at year-end of Biological Assets, Intangible Assets and Other Assets accounts included non-amortization of the assets, unaccounted/unrecorded, or dormant/negative balances, or undocumented transaction, among others:

Condition	No. of Agencies	Amount (In Million ₱)
a. Non-amortization/impairment of Biological Assets/Intangible Assets/Other Assets	4	15,711.72
b. Unaccounted/unrecorded Biological Assets/Intangible Assets/ Other Assets due to inclusion of unreconciled items, absence of details supporting the accounts, and late or non-submission of reports by concerned offices, among others	7	42.53
c. Erroneous recording of Biological Assets/Intangible Assets/ Other Assets or non-adjustment/misclassification of accounts	16	708.97
d. Negative/abnormal balances	2	8.24
e. Dormant Biological/Intangible/Other Assets for 3 to 25 years	8	3,158.41
f. Other practices/deficiencies affecting the reliability of Biological Assets/Intangible/Other Assets accounts:		
1) Lack of supporting documents, records and/or physical count; not properly maintained records	8	4,671.20
2) Unreconciled balances between records/books/confirmation	2	Not stated
3) Inclusion of fully negotiated/delivered Deposit of Letters of Credit (DLCs)	5	421.97
4) Unlocated items/missing properties still carried in books	1	1,140.78
5) Unlocated items/missing properties still carried in books	2	2.16
6) Undisposed unserviceable PPE	2	0.61
7) Demolished/dispensed unserviceable PPE still recognized in the books/Inventory and Inspection Report of Unserviceable Property (IIRUP); unserviceable equipment not reported in the IIRUP	2	0.61
8) Non-existing balance per bank confirmation	1	4,918.57
9) Prior Years' project procured thru Deposit on Letter of Credit (DLC)/fund transfer that remained uncompleted or unliquidated as at year-end	2	1,157.55

Recommendations

The Auditors recommended that concerned officials, among others:

- a) Verify and analyze discrepancies or dormant/unsupported/unadjusted/unaccounted/unrecorded/erroneously recorded accounts or omitted amounts or negative/abnormal balances/non-existing balance per bank and prepare the

necessary adjustments/reclassification; maintain objectivity and consistency in keeping of accounts to safeguard against inaccurate or misleading information; effect the necessary restatement entries to correct the final and beginning balances of the CY 2019 consolidated financial statements; and comply with the Accounting policy for intangible assets set forth in PPSAS No. 31;

- b) Provide sufficient and relevant documents and records; complete inventory taking of the biological assets; and reconcile their records periodically;
- c) Assess the useful lives of the recorded items and provide the necessary amortization;
- d) Hasten the sale/disposal of all abandoned/surrendered properties giving priority to the depreciable assets to avoid further deterioration or loss and ultimately augment the budgetary requirement of the agency and prepare corresponding adjusting entries for PPEs already disposed of;
- e) Continue to coordinate for the immediate review of the outstanding Letters of Credit (LCs) for the application of payment and reversion of any balance of those LCs fully delivered, without movement or activities and that are no longer valid in compliance with Treasury Circular No. 3-2019 dated May 10, 2019; and review and evaluate the special conditions of the contract for the machine which has remained in the testing and commissioning stage for almost eight years;
- f) Facilitate the immediate disposal of the unserviceable PPEs on condition that the IIRUP is already available and in order, and make an appropriate action whatever the result of the representations made on the unserviceable equipment, in compliance with Section 79 of PD No. 1445 and COA Circular No. 89-296 dated January 27, 1989.
- g) Handle the reconciliation and exhaust all possible remedies to account the unlocated or missing properties; strictly adhere to requirements of Section 73 of PD No. 1445 and COA Memorandum No. 92-751 dated February 24, 1992, relative to the proper disposition of lost properties of government agencies and to the reporting requirements in case of losses of said PPEs;
- h) Make representation with the GSIS and inquire whether the cost of unfinished structures of the Hall of Justice is recorded in the books of the GSIS; coordinate with the SCP and GSIS on the execution of a tripartite Agreement regarding the implementation of the Presidential Proclamation Nos. 833 and 835 on the transfer and assignment of property to GSIS and SCP taking into consideration among others, the recognition of the value of the subject property including the cost of unfinished structures of the MHOJ in the books of the concerned agencies, and the derecognition of the cost of unfinished structures in the books of the DOJ as a result of the issuance of the Presidential Proclamation.

G. LIABILITIES

Accuracy and validity of liabilities as of December 31, 2019 in a number of agencies cannot be determined as the account balances included dormant/long

outstanding, unrecorded/unaccounted/undocumented and erroneously recorded payables or with abnormal balances.

Condition	No. of Agencies	Amount (In Million ₱)
a) Dormant/long outstanding payables for 1 to 20 years or more	53	836.18
b) Unsupported/undocumented liabilities/settlement of liabilities; absence of supporting schedules/ details/reports	43	53,741.00
	1	Not stated
c) Unrecorded/unaccounted liabilities/settlement of liabilities/adjustments/charges	40	23,741.44
d) Erroneous recording of payables/misclassification of liabilities	55	4,182.78
	1	Not stated
e) Negative/abnormal balances of Liability accounts	24	1,500.19
f) Non-maintenance of SLs /LCs or unupdated SLs	18	4,725.71
	1	Not stated
g) Others:		
g.1 Unexpended balances of fund transfers from other agencies	8	296.92
g.2 Unreconciled balances (GLs, SLs, schedules/ records)	33	4,416.26
g.3 Unreasonable delays in the recognition of non-cash availments/liabilities; Improper recording	4	106.41

Recommendations

The Auditors recommended that concerned officials:

- a) Accountant/Accounting Office, coordinate with the concerned offices and gather immediately all the necessary/valid documents supporting all payable accounts including cause of negative balance and submit the pertinent DVs and the necessary supporting documents to the COA Audit Team, for validation/verification. Strictly comply with the COA rules/issuances for the succeeding claims to avoid suspension/disallowance in audit in the succeeding year. Henceforth, stop setting up payables without complete documentation/valid claimants;
- b) Exercise due care in recording financial transactions to avoid errors/omission. Prepare the necessary accounting entries or JEV to book-up the unrecorded liabilities or take up the adjustments and correct the noted deficiencies in recording liabilities, in order to reflect the correct balances of the liability accounts and other affected accounts in the FS. Maintain the SLs using the prescribed format under Appendix 6, GAM for NGAs, Volume II, containing sufficient details to facilitate validation of accuracy and existence of the accounts;
- c) Review and exert all efforts to identify the nature of the outstanding balances of the dormant/long outstanding accounts; revert the Accounts Payables with no valid claims/undocumented for over two years to Accumulated Surplus/(Deficit) in compliance with Section 98, PD No. 1445;
- d) Contact the concerned scholarship-beneficiaries, resigned employees and former student-aides and other claimants through social media and other feasible means to inform them of their existing claims with the College and inform them of the necessary procedures to claim the amounts due them. For those transactions without MOAs, make representations with the concerned local and national

government agencies, as well as private individuals and institutions, to come up with an agreement for the unliquidated and/or unremitted funds; and conduct careful and periodic monitoring of all liabilities as a measure to prevent further the accumulation of long outstanding payables;

- e) Remit all income accrued to the BTr; and
- f) Strictly adhere to the proper accounting of Inter Agency Transferred Funds; and prepare and submit immediately the Report of Disbursements to the Source Agency (SA) to liquidate the fund transfers in compliance with COA Circular No. 94-013 dated December 13, 1994. Expedite the reconciliation of the balance of Due to NGAs with the SAs' records.

H. REVENUES

Revenue account balances in a number of agencies in CY 2019 are unreliable due to erroneous recording; unaccounted/unrecorded/ unrealized revenues; undocumented/unsupported transactions and internal control weaknesses, among others.

Condition	No. of Agencies	Amount (in Million ₱)
a) Unaccounted/unrecorded/unrealized revenues/income	19	329.46
	4	Not stated
b) Erroneous recording of revenues/misclassification of accounts	20	529.18
	1	Not stated
c) Undocumented/unsupported/without legal basis revenue transactions	4	96.74
	3	Not stated
d) Non-preparation/maintenance of the Financial Statements and other financial reports/records	2	88.30
	1	Not stated
e) Weak internal control on revenue/income transactions	4	6.81
	4	Not stated
f) Non-remittance of income earned/collections to the National Treasury/Special Trust Fund	2	3.53
g) Inappropriate disclosure in the Notes to FSs of accounting policy on revenue recognition	1	2,688.54

Recommendations:

The Auditors recommended that concerned officials to:

- a) Classify the revenue/income accounts properly in the books in accordance with the provisions of Chapter 3 of GAM, Volume III; ensure completeness of required supporting documents to avoid audit suspensions and charges; observe strictly the issuance of Official Receipt (OR) as proof of payment received or collection; and submit the required Report of Collection and Deposit (RCD) within the prescribed period for proper and timely recording of transactions;

- b) Effect the necessary adjustments on the errors/omissions and improper recording of transactions, as well as the misclassification of accounts, to correct the reported balances of the affected accounts in the FSs;
- c) Devise well-defined processes of evaluation, assessment of fees, billing, collection and issuance of licenses and permits that will ensure segregation of duties, and check and balance the correctness of the amounts being collected. Encourage personnel's adherence to management policies in assessment and collection of fees and to maintain/safeguard the integrity of the assessment process; and
- d) Apply the accrual method of accounting for students' tuition fees unless a new regulation will require for a change in the recognition of the income. Fast track the review and implementation of the formulated policies/MOA relative to IGPs/other commercial ventures within the school premises to ensure smooth operation and strengthen internal control on revenue/income recognition or utilization.

7.6 Non-observance by as many as 91 agencies of certain laws, rules and regulations defeating the purpose for which these were enacted which may result in wastage of government funds.

Condition	Laws/Rules violated	No. of Agencies	Amount (in Million ₱)
Non-submission of required monthly/quaterly/ annual financial reports/schedules, DVs, ORs, BRSs, MOAs, LRs etc. within the prescribed timeline	Section 122 of PD No. 1445; Chapter 19 and 21 of GAM Volume I; COA Circular Nos. 2009-001, 002 and 006; COA-DBM JC No. 2014-1	89	Not quantified
		31	292,903.32
43		39,750.30	
27		Not quantified	
Non-submission of copies of contracts/POs/JOs, MOAs within set timeline			
Unsettled Disallownces at year-end	COA Circular No. 2009-006 dated September 15, 2009; 2009 Rules and Regulations on Settlement of Accounts (RRSA)	89	19,069.70
Unsettled Suspensions at year-end		40	89,666.13
Non-compliance with provisions under the Senior Citizen’s Act	RA Nos. 11260 or GAA FY 2009, 9994 and 7277	30	Not quantified
Non-compliance with provisions on Differently-Abled Persons (PWDs)		20	Not quantified
Non-compliance with GAD requirements, among others:	PCW-NEDA-DBM JC No. 2012; GAA of FY 2019		
GAD Budget less than five percent of the total agency appropriations;		54	
Partial utilization of GAD budget for CY 2019, or partial accomplishment of GAD Plans/Activities;		30	
Non-preparation or non-submission of required documents; and		20	
Other GAD-related findings such as late submission of GAD		57	

Condition	Laws/Rules violated	No. of Agencies	Amount (in Million ₱)
Accomplishment report, failure to establish GAD database, non-formulation of GPB, no GAD Focal Point System (GFPS), etc.			
Non-compliance with BIR provisions such as: Failure to withhold taxes, or delayed or partial remittance of taxes withheld; and Other observations like over-remittance of taxes, abnormal balances, unaccounted differences/unreconciled balances and unsubmitted Electronic Tax Remittance Advices (e-TRAs)/tax Withheld (STW)	RA No. 10963; NIRC of 1997; Revenue Regulation (RR) No. 11-2018; Other RRs	46	2,021.08
Non-compliance with provisions of GSIS law such as delayed remittance of GSIS contributions and unreconciled account balances/ unidentified differences, etc.	RA No. 8291 or the GSIS Act of 1997	44	3,049.38
Non-compliance with Pag-ibig Law provision such as delayed remittance of contributions/ account unreconciled balances.	RA No. 9679 dated June 1, 2009	34	282.25
Delayed or unremitted PhilHealth contributions; non-deduction of contributions, etc.	RA Nos. 10606 (2013) and 7875 (1995); Philhealth Circular No. 0001-2014	34	221.98
Non-compliance with Philippine Disaster Risk Reduction and Management requirements	RA No. 10121	9	Not stated
Non-compliance with mandatory requirements in the implementation of Post Entry Modification of Single Administrative Document (SAD) and SAD Cancellation; Payment Application Secure System Version 5.0; Custom Modernization and Tariff Act; and Property Insurance Fund	CMO No. 53-2010, CAO No. 10-2008, Section 1425 of Customs Modernization and Tariff Act; COA Circular No. 2018-002 dated May 31, 2018; RA Nos. 656 and 9184; PD No. 1096	11	2,932.76
Non-compliance with the required posting of transparency seal in their respective websites.	FY 2019 GAA/NBC No. 542/RA No. 11260	17	

Recommendation

Strictly adhere to the provisions of existing laws such as the RA No. 11260 or GAA of FY 2019; Section 122 of PD No. 1445 and PD No. 1096; Chapter 19 and 21 of GAM Volume I; COA Circular Nos. 2009-001, 002 and 006; COA-DBM JC No. 2014-1; RA Nos. 656, 7277, 7875 (1995), 8291 or the GSIS Act of 1997, 9184, 9679, 9994, 10121, 10606 (2013) and 10963; PCW-NEDA-DBM JC No. 2012; NIRC of 1997; RR No. 11-2018; Philhealth Circular No. 0001-2014; CMO No. 53-2010; CAO No. 10-2008; Section 1425 of Customs Modernization and Tariff Act; NBC No. 542; and other related applicable rules and regulations.

PART VIII

**CONSOLIDATED AUDIT
OBSERVATIONS
ON GENDER AND
DEVELOPMENT**

Gender and Development (GAD)
Checklist of Common Audit Observations in the Audit of GAD Funds
Pursuant to COA Memorandum 2018-009 dated August 14, 2018

Audit Observations											
1	2	3	4	5	6	7	8	9	10	11	12
A. GAD Plan and Budget (GPB)						B. GAD Accomplishment Report (AR)					
Has GAD Plan and Budget (GPB) prepared	Has GPB but not submitted to Philippine Commission on Women (PCW)/ Department of Interior and Local Government (DILG)	Has GPB but not endorsed by PCW/DILG	Has PCW/DILG-endorsed GPB but not approved by agency head	Has PCW/DILG-endorsed and agency-approved GPB but no copy was submitted to the Auditor	Has PCW/DILG-endorsed and agency-approved GPB but copy was submitted late to the Auditor/ submitted after the audit period	Has GAD AR prepared	Has GAD AR but not submitted to PCW/DILG	Has GAD AR but not endorsed by PCW/DILG	Has PCW/DILG-endorsed GAD AR but not approved by agency head	Has PCW/DILG-endorsed and agency-approved GAD AR but no copy was submitted to the Auditor	Has PCW/DILG-endorsed and agency-approved GAD AR but copy was submitted late to the Auditor/ submitted after the audit report

Audit Observations											
13	14	15	16	17	18	19	20	21	22	23	24
C. Creation of GAD Focal Point System (GFPS) under the Magna Carta of Women (MCW)			D. GAD Plan and Budget and								
Has constituted GFPS	Has GFPS created but not in accordance with the MCW	Has GFPS created but not functioning/ inactive	GAD Budget less than 5% of total appropriations	GAD Budget at least 5% of total appropriations	GAD Budget exceeded 5% of total appropriations	GPB not implemented	GPB partially implemented	GPB fully implemented	Programs, projects and activities (PPAs) implemented not in accordance with the GPB and gender-responsive	PPAs not supportive of gender issues of the agency	PPAs implemented exceeded the approved GPB

Audit Observations											
25	26	27	28	29	30	31	32	33	34	35	36
Fund Utilization				E. Establishment and Maintenance of GAD Database				F. Other Audit Observations			
GAD funds unutilized	GAD funds underutilized	GAD funds fully utilized	GAD funds utilized exceeded the approved GPB	No sex disaggregated data on file	With sex disaggregated data but insufficient	With sex disaggregated data but no gender analysis	Has conducted gender analysis	Has GAD Code (for LGUs only)	Has VAW Desk (for LGUs) or Women's Desk (NGAs/ GOCCs)	Had GAD Monitoring and Evaluation System	Others

Sectoral Consolidated Audit Observations on Gender and Development
National Government Sector
CY 2019

Cluster	Legend	AUDIT OBSERVATIONS																																				Audit Recommendations
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	
6 (27 Agencies)	✓	24	7	12	1	1	3	24	3	10	0	1	1	25	0	5	9	7	14	1	12	11	2	0	8	2	8	14	10	6	4	4	13	0	6	17	2	the objectives for which fund were provided; l. Submit to the audit team a copy of the endorsed and approved Annual GPB within five (5) working days from the receipt of the approved plan from the PCW, ensure that the management's GPB and GAD AR are reviewd and endorsed by the PCW to determine that the activities are eligible GAD activities and always exercise prudence and propriety in spending government funds for GAD activities; m. Institutionalize a GAD Database/Sex-Disaggregated Data pursuant to Section 4.4 of the PCW-NEDA-DBM Joint Circular No. 2012-01 to be able to gather all pressing gender issues in the agency; and n. Maximize the utilization of the allocated GAD budget, especially in activities that address the differential gender concerns through capacity development on GAD, in accordance with the provisions of the GAA, the Magna Carta of Women (R.A. No. 9710), the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), the Beijing Platform for Action, the Philippine Plan for Gender-Responsive Development (1995-2025), and the Philippine Development Plan (2017-2022) o. Carefully plan and provide a consistent and clear basis of computing and setting up budget/targets to accomplish the target outputs efficiently and effectively; p. Conduct gender analysis using the Harmonized Gender and Development Guidelines (HGDG) tool for each major program/project to identify the related issues, causes, objectives and the relevant Major Final Output (MFOs), as well as plan the necessary activities that can be attributed to GAD related projects as well as assess the gender responsiveness of these GAD planned activities;
	X	3	20	15	25	22	21	3	24	15	25	21	22	2	27	22	17	19	12	25	14	15	24	26	18	23	15	12	16	20	23	23	13	3	12	10	3	
	✓X	0	0	0	1	4	3	0	0	2	2	5	4	0	0	0	0	0	0	0	0	0	0	0	1	3	0	0	1	0	0	1	0	0	0	0		
	XX	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	1	1	1	1	1	1	1	1	1	1	1	0	0	0	0	21	8	0	4	
	NONE	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
7 (14 Agencies)	BLANK	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3	1	0	18
	✓	13	6	9	0	0	1	12	5	9	0	0	1	14	1	3	10	3	2	1	11	3	3	0	3	1	12	2	3	9	5	1	5	0	5	4	2	n. Maximize the utilization of the allocated GAD budget, especially in activities that address the differential gender concerns through capacity development on GAD, in accordance with the provisions of the GAA, the Magna Carta of Women (R.A. No. 9710), the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), the Beijing Platform for Action, the Philippine Plan for Gender-Responsive Development (1995-2025), and the Philippine Development Plan (2017-2022)
	X	0	7	4	13	13	12	0	8	4	13	13	11	0	11	7	4	11	12	9	3	8	6	9	10	10	2	10	11	3	8	11	6	0	7	7	6	
	✓X	1	1	1	1	1	1	2	1	1	1	1	1	0	2	4	0	0	0	4	0	3	5	5	1	3	0	2	0	1	1	2	3	0	1	3	3	
	XX	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	14	1	0	3	
NONE	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
8 (19 Agencies)	BLANK	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	
	✓	17	4	13	1	2	3	13	3	9	2	2	4	17	4	3	11	4	7	1	8	6	2	2	6	0	9	4	9	2	7	4	11	0	3	8	1	o. Carefully plan and provide a consistent and clear basis of computing and setting up budget/targets to accomplish the target outputs efficiently and effectively; p. Conduct gender analysis using the Harmonized Gender and Development Guidelines (HGDG) tool for each major program/project to identify the related issues, causes, objectives and the relevant Major Final Output (MFOs), as well as plan the necessary activities that can be attributed to GAD related projects as well as assess the gender responsiveness of these GAD planned activities;
	X	1	14	5	15	14	13	6	16	10	15	13	12	2	14	15	8	14	11	13	8	10	14	14	11	14	8	12	9	16	11	13	7	0	15	11	3	
	✓X	0	0	0	0	0	0	0	0	0	0	2	1	0	0	0	0	0	0	3	2	1	2	2	0	3	0	2	0	0	0	1	1	0	0	0	0	
	XX	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	1	1	1	1	1	1	1	1	0	0	0	0	0	0	0	0	
	N/A	0	0	0	1	1	1	0	0	0	1	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	19	1	0	1	
NONE	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1		
8 (19 Agencies)	Blank	1	1	1	2	2	2	0	0	0	1	1	1	0	1	1	0	1	1	1	0	1	0	0	1	1	1	0	0	1	1	1	0	0	0	0	13	

Legend:

✓ - Yes

X - No

x ✓ - Partly

xx - AR not submitted

N/A - Not Applicable

NONE - No indicated result

BLANK - Cannot be determined based on the given data

Consolidated Audit Observations on Gender and Development
National Government Sector
Cluster 1 - Executive Offices

	Agencies	Audit Observations*																																							
		A						B						C			D												E				F								
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36				
1	Office of the President (OP)	✓	✗	✗	✗	✗	✗	✓	✗	✗	✗	✗	✗	✓	✗	✗	✗	✓	✗	✗	✗	✓	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✓	✗	✓	✓	✗			
2	Climate Change Commission (CCC)	✓	✗	✗	✗	✗	✗	✓	✗	✗	✗	✗	✗	✓	✗	✗	✗	✓	✓	✗	✓	✗	✗	✗	✗	✗	✓	✗	✗	✓	✗	✗	✗	✗	✓	✓	✓	✗			
3	Commission on the Filipino Language (CFL)	✗	✗	✗	✗	✗	✗	✓	✗	✗	✗	✗	✗	✓	✗	✗	✓	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✓	✗	✗	✗	✗	✗	✓	✗	✓	✓	✗			
4	Philippine Commission on Women (PCW)	✓	✗	✗	✗	✗	✗	✓	✗	✗	✗	✗	✗	✓	✗	✗	✗	✗	✓	✗	✗	✓	✗	✗	✗	✗	✓	✗	✗	✗	✗	✗	✗	✓	✗	✓	✓	✗			
5	Cooperative Development Authority (CDA)	✓	✗	✗	✗	✗	✗	✓	✗	✗	✗	✗	✗	✓	✗	✗	✗	✗	✓	✗	✓	✗	✗	✗	✗	✗	✓	✗	✗	✗	✗	✗	✗	✓	✗	✓	✓	✗			
6	Presidential Management Staff (PMS)	✓	✗	✗	✗	✗	✓	✓	✗	✗	✗	✗	✓	✓	✗	✗	✗	✗	✗	✓	✗	✓	✗	✗	✗	✗	✗	✓	✗	✗	✗	✓	✗	✓	✓	✗	n/a	n/a	✗	n/a	
7	Presidential Legislative Liaison Office (PLLO)	✓	✗	✗	✓	✗	✓	✓	✗	✗	✓	✗	✓	✓	✗	✗	✓	✗	✓	✗	✓	✗	✗	✗	✓	✗	✗	✓	✓	✗	✓	✗	✓	✓	✓	✗	✗	✓	✗		
8	National Anti Poverty Commission (NAPC)	✓	✗	✗	✗	✗	✗	✓	✗	✓	✗	✗	✗	✓	✗	✗	✗	✓	✗	✗	✓	✗	✗	✗	✗	✗	✗	✓	✓	✗	✓	✓	✗	✗	✗	✗	✓	✗			
9	Optical Media Board (OMB)	✓	✓	✓	✗	✗	✗	✓	✓	✓	✗	✗	✗	✓	✗	✗	✓	✓	✗	✗	✗	✓	✗	✗	✗	✗	✓	✗	✗	✗	✓	✗	✗	✗	✓	✗	✗	n/a	✓	✗	n/a
10	National Printing Office (NPO)	✓	✗	✓	✗	✗	✗	✓	✗	✓	✗	✗	✗	✓	✗	✗	✓	✗	✗	✗	✓	✗	✗	✗	✗	✗	✓	✗	✗	✓	✗	✗	✗	✗	✗	✓	✗	✗	✗		
11	Bureau of Communication Services (BCS)	✓	✓	✓	✗	✗	✗	✓	✗	✗	✗	✗	✓	✗	✗	✓	✗	✗	✗	✗	✓	✗	✗	✓	✗	✗	✓	✓	✗	✗	✓	✗	✗	✓	✗	✗	✗	✗	✗		
12	Presidential Broadcast Staff (PBS-RVTM)	✓	✓	✓	✗	✗	✗	✓	✗	✗	✗	✓	✓	✗	✗	✗	✓	✗	✗	✓	✗	✗	✗	✓	✗	✓	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗		
13	Presidential Communications Operations Office (PCOO)	✓	✓	✗	✗	✓	✗	✓	✗	✓	✗	✓	✓	✓	✗	✗	✓	✗	✗	✗	✓	✗	✗	✗	✗	✗	✓	✗	✗	✗	✗	✗	✗	✓	n/a	✓	✓	n/a			
14	News and Information Bureau (NIB)	✓	✗	✗	✗	✗	✓	✗	✗	✗	✗	✗	✓	✗	✗	✗	✓	✗	✗	✓	✗	✗	✗	✗	✗	✗	✓	✗	✗	✗	✗	✗	✓	n/a	✓	✓	n/a				
15	Philippine Information Agency (PIA)	✓	✗	✓	✗	✓	✗	✓	✗	✗	✓	✗	✗	✗	✗	✗	✓	✗	✗	✗	✓	✗	✗	✗	✗	✗	✓	✗	✓	✗	✓	✗	✗	✗	n/a	✗	✗	n/a			
16	Bureau of Broadcast Services (BBS)	✓	✗	✗	✗	✗	✓	✓	✗	✗	✗	✓	✓	✗	✗	✓	✗	✗	✗	✗	✓	✗	✗	✗	✗	✓	✗	✓	✓	✗	✗	✗	✗	n/a	✗	✗	✗	✗			
17	Office of the Vice President (OVP)	✓	✗	✓	✗	✓	✓	✓	✗	✓	✗	✓	✓	✓	✗	✗	✗	✓	✓	✗	✓	✗	✗	✓	✗	✓	✓	✗	✗	✗	✗	✗	✗	✓	✗	✓	✗	✓	✗		
18	National Archives of the Philippines (NAP)	✓	✗	✓	✗	✗	✓	✓	✗	✓	✗	✓	✓	✓	✗	✓	✗	✓	✓	✗	✓	✗	✓	✗	✗	✗	✓	✓	✗	✗	✗	✗	✗	✗	✗	n/a	✗	n/a	n/a		
19	National Commission for Culture and the Arts (NCCA)	✓	✗	✗	✗	✗	✓	✓	✗	✗	✗	✗	✓	✓	✗	✗	✓	✗	✗	✗	✓	✗	✗	✗	✗	✗	✓	✗	✗	✗	✗	✗	✗	✗	n/a	✗	✓	✗			
20	National Library of the Philippines (NLP)	✓	✗	✓	✗	✓	✓	✓	✗	✓	✓	✗	✓	✓	✓	✓	✗	✓	✗	✓	✓	✓	✓	✗	✓	✓	✗	✓	✓	✗	✗	✓	✗	✗	✗	✗	✗	✓	✗		
21	Film Development Council of the Philippines (FDCP)	✓	✗	✓	✗	✗	✓	✓	✗	✓	✗	✗	✗	✓	✓	✓	✗	✓	✗	✗	✗	✓	✓	✗	✓	✗	✓	✓	✓	✗	✗	✓	✗	✗	✗	✗	✗	✓	✗		
22	National Historical Commission of the Philippines (NHCP)	✗	✓	✓	✗	✗	✓	✓	✗	✓	✗	✗	✓	✓	✗	✗	✗	✗	✓	✗	✗	✓	✗	✗	✗	✗	✓	✗	✗	✗	✓	✓	✗	✗	✗	✗	✗	✗			
23	National Commission on Indigenous People (NCIP)	✗	✗	✗	✗	✗	✓	✓	✗	✗	✗	✗	✗	✓	✗	✗	✗	✗	✗	✗	n/a	n/a	n/a	n/a	n/a	✓	n/a	n/a	n/a	✗	n/a	n/a	✗	n/a	n/a	✗	n/a	✗	n/a		

Consolidated Audit Observations on Gender and Development
National Government Sector
Cluster 1 - Executive Offices

	Agencies	Audit Observations*																																				
		A						B						C			D												E				F					
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	
24	Dangerous Drugs Board (DDB)	✓	✗	✗	✗	✗	✗	✓	✗	✗	✗	✗	✗	✓	✗	✗	✓	✗	✗	✗	✗	✓	✗	✗	✗	✗	✗	✓	✗	✗	✗	✗	✗	✗	✗	✓	✗	✗
25	National Intelligence Coordinating Authority (NICA)	✓	✗	✗	✗	✗	✗	✓	✗	✗	✗	✗	✗	✓	✗	✗	✓	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✓	✗	✗	✗	✗	✗	✗	✗	✓	✗	✗
26	Philippine Drug Enforcement Agency (PDEA)	✓	✗	✓	✗	✗	✗	✓	✗	✓	✗	✗	✗	✓	✗	✗	✓	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✓	✗	✗	✓	✗	✗	✗	✗	✓	✗	✗
27	National Security Council (NSC)	✓	✗	✓	✗	✗	✗	✓	✗	✓	✗	✗	✗	✓	✗	✗	✓	✗	✗	✗	✓	✗	✗	✗	✗	✗	✗	✓	✗	✗	✓	✗	✗	✗	n/a	✓	✗	n/a
28	Movie And Television Review And Classification Board (MTRCB)	✓	✗	✗	✗	✗	✗	✓	✗	✗	✗	✗	✗	✓	✗	✗	✗	✗	✓	✗	✓	✗	✗	✗	✓	✗	✗	✓	✓	✗	✗	✓	✗	n/a	n/a	✗	✗	
29	Philippine Competition Commission (PCC)	✓	✗	✗	✗	✗	✗	✓	✗	✗	✗	✗	✗	✓	✗	✗	✗	✗	✓	✗	✗	✓	✗	✗	✗	✗	✗	✗	✗	✗	✗	✓	n/a	n/a	n/a	n/a		
30	National Youth Commission (NYC)	✓	✗	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✗	✗	✗	✗	✓	✗	✗	✓	✓	✗	✓	✗	✗	✓	✓	✗	✗	✗	✓	✗	✓	✗	✗	
31	Office of the Presidential Adviser on the Peace Process (OPAPP)	✓	✗	✓	✗	✓	✗	✓	✗	✗	✗	✗	✓	✓	✗	✗	✓	✗	✗	✗	✓	✗	✗	✗	✗	✗	✓	✗	✗	✗	✗	✗	✓	✗	✓	✓	✗	
32	Housing and Urban Development Coordinating Council (HUDCC)	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✓	✗	✓	✓	✗	✗	✓	✗	✗	✗	✗	✓	✗	✓	✓	✗	✗	✓	✗	✗	✗	✗	✗	✗	✗	
33	Governance Commission for GOCCs (GCG)	✓	✗	✗	✗	✗	✗	✓	✗	✗	✗	✗	✓	✗	✗	✓	✗	✗	✗	✓	✗	✗	✗	✓	✗	✓	✗	✗	✗	✗	✗	✗	✓	✗	✗	✗	✗	
34	National Commission for Muslim Filipinos (NCMF)	✓	✓	✗	✗	✓	✗	✓	✗	✗	✗	✓	✗	✓	✗	✗	✓	✗	✗	✗	✓	✗	✗	✗	✗	✗	✓	✗	✗	✗	✗	✗	✓	✗	✗	✗	✗	
35	Philippine Racing Commission (PhilRaCom)	✓	✗	✗	✗	✗	✗	✓	✗	✗	✗	✗	✓	✗	✗	✓	✗	✗	✗	✓	✗	✗	✗	✗	✗	✗	✓	✗	✗	✗	✓	✗	✓	n/a	n/a	✗	n/a	
36	Games and Amusement Board (GAB)	✓	✗	✗	✗	✗	✗	✓	✗	✗	✗	✗	✓	✗	✗	✓	✗	✗	✗	✓	✗	✗	✗	✗	✗	✗	✓	✗	✗	✗	✓	✗	✓	n/a	✗	✓	n/a	
37	Presidential Commission for the Urban Poor (PCUP)	✓	✗	✗	✗	✗	✓	✗	✗	✗	✗	✗	✓	✗	✗	✓	✗	✗	✗	✓	✗	✗	✗	✗	✗	✗	✓	✗	✗	✗	✗	✓	✗	✗	n/a	n/a	✗	✗
38	Housing and Land Use Regulatory Board (HLURB) - Main/NCR	✓	✗	✗	✗	✗	✗	✓	✗	✗	✗	✗	✓	✗	✗	✗	✓	✓	✗	✓	✗	✗	✗	✗	✗	✗	✗	✓	✓	✗	✗	✗	✓	n/a	✗	✓	✗	
39	Department of Foreign Affairs (DFA)	✓	✗	✓	✗	✗	✓	✓	✗	✓	✗	✓	✓	✗	✗	✗	✓	✗	✗	✓	✗	✗	✗	✗	✗	✗	✓	✓	✗	✗	✗	✓	✗	✓	✓	✗		
40	Technical Cooperation Council of the Philippines (TCCP)	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✓	✓	✓	✗	✗	✓	✓	✗	✗	✗	✗	✗	✓	✗	✗	✗	n/a	✗	✗	n/a		
41	Commission on Filipino Overseas (CFO)	✓	✗	✗	✗	✗	✗	✓	✗	✗	✗	✗	✓	✗	✗	✗	✓	✓	✗	✓	✗	✗	✗	✗	✗	✗	✗	✗	✗	✗	✓	✓	✓	✗	✓	✓	✗	
42	Foreign Service Institute (FSI)	✓	✗	✗	✗	✗	✗	✓	✗	✗	✗	✗	✓	✗	✗	✓	✗	✗	✗	✓	✗	✗	✗	✓	✗	✓	✗	✓	✓	✓	✓	✗	✓	✗	✗	✓	✗	

Consolidated Audit Observations on Gender and Development
National Government Sector
Cluster 1 - Executive Offices

Agencies	Audit Observations*																																			
	A						B						C			D												E				F				
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36
UNESCO National Commission of the Philippines (UNACOM)	✓	✗	✓	✗	✗	✗	✓	✗	✓	✗	✗	✗	✓	✗	✗	✗	✓	✓	✗	✓	✗	✗	✗	✗	✗	✗	✓	✓	✓	✗	✗	✓	✗	✗	✓	✗

Summary:

✓	38	6	16	1	4	7	39	2	14	1	5	7	39	2	4	19	15	15	3	28	11	5	1	10	3	22	15	13	10	10	8	19	0	17	17	0
X	4	36	26	38	36	33	4	40	28	40	36	34	4	41	37	24	28	28	37	14	30	34	39	29	38	18	25	27	32	31	31	21	25	20	18	31
✓ <input checked="" type="checkbox"/>	1	1	1	4	3	3	0	1	1	2	2	2	0	0	2	0	0	0	3	0	1	3	2	3	2	2	2	1	1	3	3	1	0	6	0	
N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	1	1	1	0	1	1	1	0	1	1	0	17	6	2	12
Blank	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total	43	43	43	43	43	43	43	43	43	43	43	43	43	43	43	43	43	43	43	43	43	43	43	43	43	43	43	43	43	43	43	43	43	43	43	43

Summary:

[illegible]

Consolidated Audit Observations on Gender and Development
National Government Sector
Cluster 3 - Legislative, Judiciary and Constitutional Offices
Calendar Year 2019

Agencies	Audit Observations																																			
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36
1. Supreme Court of the Philippines	√	x	x	x	x	x	√	x					√	x	x	x	√	√	x	√	x	x	x	x	x	√	x	x	x	x	x		N/A		√	
2. Presidential Electoral Tribunal																																				
3. Court of Appeals	√	x	√	x	x	x	√	x	√	x	x	x	√	x	x	√	x	x	√x	√	x	√x	√x	x	x	√	x	x	x	√	√	x	N/A	N/A	√	
4. Court of Tax Appeals	√	x	x	x	x	x	√	x	x	x	x	x	√	x	x	x	√	√	x	x	√	x	x	x	x	√	√	x	x	x	√	N/A				
5. Sandiganbayan	√	x	x	x	x	x	√	x	x	x	x	x	√	x	x	√	x	x	√	x	x	x	x	x	√	x	x	x	x	x	√	N/A				
6. Commission on Audit	√						√						√					√			√				√							N/A				
7. Commission on Elections	√	x	x	x	x	√	√	x	x	x	x	√	√	x	x	x	x	√	x	√	x	x	x	x	x	√	x	x	x	x	x	√	N/A	N/A	√	
8. Office of the Ombudsman	√	x	x	x	x	√	√	x	x	x	x	√	√	x	x	√	x	x	x	√	x			√	x	√	x	x				N/A	√			
9. Commission on Human Rights	√	x	x	x	x	√	√x	x	x	x	x	√x	√	x	x	x	x	√	x	√	x				x	√	x	x				√	N/A	√	√	
10. Human Rights Violations Victims' Memorial Co	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	N/A	x	x		
11. Senate of the Philippines	√	x	x	x	x	x	√	x	x	x	x	x	√	x	x	√	x	x	x	√	x	x	x	x	√	x	x	√	x	x	x	N/A	√	√		
12. Commission on Appointments	√	x	√	x	x	x	√	x	√	x	x	x	√	x	x	√	x	x	x	x	√	x	x	x	x	√	x	x	√	x	x	x	N/A	√	√	
13. House of Representatives	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	N/A	x	x		
14. House of Representatives Electoral Tribunal	√						√						√			√				√												N/A				
15. Senate Electoral Tribunal	√						√						√			√				√												N/A				
16. Career Executive Service Board	√	x	x	x	x	√	√	x	x	x	x	√	√	x	x	x	√	x	x	x	√	x	x	x	x	√	x	x	x	x	√	N/A	√	√		

Legend: √ Yes x No √x Partly

Summary:

✓	13	0	2	0	0	4	12	0	2	0	0	3	13	0	0	7	3	5	0	9	4	0	0	1	1	9	1	1	2	1	1	5	0	5	7	0
X	2	12	10	12	12	8	2	12	9	11	11	7	2	12	12	7	9	8	11	5	9	9	9	10	12	3	11	11	8	9	9	5	0	2	2	0
✓ ☒	0	0	0	0	0	0	1	0	0	0	0	1	0	0	0	0	0	0	1	0	0	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0
N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	15	2	0	0
Blank	1	4	4	4	4	4	1	4	5	5	5	5	1	4	4	2	4	3	4	2	3	6	6	5	3	4	4	4	6	6	6	6	1	7	7	16
Total	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16	16

Consolidated Audit Observation on Gender and Development
Cluster 4 - Defense and Security
National Government Sector
CY 2019

	Agency	Audit Observation																																			
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36
1	Department of the Interior and Local Government	√	x	√	x	x	√	√	x	√	x	x	√	√	x	x	x	√	√	x	√	x	x	x	√	x	x	√	√	x	√	x	√	n/a	√	√	
2	National Police Commission	√	x	x	x	x	√	√	x	x	x	x	√	√	x	x	√	x	x	x	√	x	x	x	x	x	√	x	x	x	x	x	√	n/a	n/a	√	x
3	Bureau of Fire Protection	√	√	√	x	x	x	√	x	x	x	x	x	√	x	√	x	√	x	x	x	x	x	x	x	√x	√	x	x	√	x	x	x	n/a	n/a	√	
4	Local Government Academy	x	x	x	x	x	x	x	x	x	x	x	x	√	√	x	√	x	x	√	x	x	x	√	x	√	x	x	x	√	x	x	x	n/a	x	x	
5	Bureau of Jail Management and Penology	√	√	√	x	x	x	√	√	√	x	x	x	√	x	x	√	x	x	x	x	√	x	x	√x	x	x	√	√x	√	x	x	x	n/a	n/a	√	
6	Philippine Public Safety college	√	x	√	x	x	x	√	x	√	x	x	x	√	√	x	√	x	x	x	√	x	x	x	√	x	x	x	√	x	x	x	√	n/a	√x	√x	
7	Philippine National Police	√	x	x	x	x	x	√	x	x	x	x	x	√	x	x	√	x	x	x	x	√	x	x	√	x	x	√	√	x	x	x	√x	n/a	√	√	
8	Department of National Defense	√	√	√	x	x	√	√	√	√	x	x	√	√	x	x	x	√	√	x	√	x	x	x	√	x	√	x	√	x	x	√x	√	n/a	√	√	x
9	National Defense College of the Philippines	√	√	√	x	x	√	√	√	√	x	x	√	√	x	x	x	√	√	x	√	x	x	x	√	x	√	x	√	x	x	√x	√	n/a	√	√	x
10	Office of Civil Defense	√	x	x	x	x	x	√	x	x	x	x	x	√	x	x	√	x	x	x	√	x	x	x	x	x	x	x	x	x	x	x	√	n/a	√	√	
11	Veterans Memorial Medical Center	√	x	x	x	x	x	√	x	√x	x	x	x	√	x	x	x	x	√	x	x	√	x	x	x	x	x	√	√	x	x	√x	√x	n/a	√	√	
12	Phillipine Veterans Affairs Office	√	x	x	x	x	x	√	x	x	x	x	x	√	x	x	√	x	x	x	x	√	x	x	√	x	x	√	√	x	x	√x	√	n/a	√	√	
13	AFP General Headquarters	√	x	√	x	x	x	√	x	√	x	x	x	√	x	x	√	x	x	x	x	√	x	x	√	x	x	√	√	x	x	x	√	n/a	√	√	
14	AFPCES	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
15	Philippine Army	√	x	x	x	x	x	√	x	x	x	x	x	√	x	x	√	x	x	x	√	x	x	x	x	x	√	x	x	x	x	x	√	n/a	√	√	
16	Philippine Air Force	√	x	x	x	x	x	√	x	x	x	x	x	√	x	x	x	x	√	x	√	x	x	x	x	x	x	√	x	x	x	√	n/a	√	√		
17	Philippine Navy	√	√	√	x	x	x	√	√x	√	x	x	√x	√	x	x	√	x	x	x	x	√	x	x	√	x	x	√	√	x	√	√	x	n/a	n/a		
18	Department of Justice	√	x	x	x	√	√	√	x	x	x	√	√	√	x	x	x	√	x	x	√	x	x	x	x	x	x	x	x	x	x	x	√	n/a	x	√	x
19	Bureau of Immigration	√	x	√	x	x	√x	√	x	√	√x	√x	√x	√	x	x	√	x	x	√x	√	x	x	x	x	x	x	x	x	x	x	x	√	n/a	x	√	x
20	National Bureau of Investigation	√	x	x	x	x	√	√	x	x	x	x	√	√	x	x	x	x	√	x	√	x	x	x	x	√	x	x	√	x	x	x	n/a	√	√x		
21	Bureau of Corrections	√	x	x	x	x	√	√	x	x	x	x	√	√	x	√x	x	x	√	x	√x	x	x	x	x	√x	√	x	x	√	x	x	x	n/a	x	x	

Consolidated Audit Observation on Gender and Development
Cluster 4 - Defense and Security
National Government Sector
CY 2019

	Agency	Audit Observation																																				
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	
22	Land Registration Authority	√	x	x	x	x	x	√	x	x	√	√x	√x	√	x	x	√	x	x	√x	x	x	x	x	x	x	√x	√	x	x	x	x	√	x	n/a	n/a	n/a	
23	Parole and Probation Administration	√	x	x	x	x	x	√	x	x	x	x	x	√	x	x	x	x	√	x	√	√x	x	x	√	√x	x	√	√	x	√x	√x	x	n/a	√	√		
24	Public Attorney's Office	√	x	x	x	x	x	√	x	x	x	x	x	√	x	x	x	x	√	x	x	√	x	x	x	x	x	√	√	x	x	√	√	n/a	√	√		
25	Office of the Government Corporate Counsel	√	√	√	√	√	√	√	√	√	√	√	√	√	x	x	√	x	x	x	x	√	x	x	x	x	x	√	x	√	x	x	x	n/a	n/a	√		
26	Office of the Solicitor General	√	x	√	x	x	x	√	x	√	x	x	x	√	x	x	√	x	x	x	√	x	x	x	x	x	√	x	x	x	x	x	√	n/a	√	√		
27	Presidential Commission on Good Government	√	x	√	x	x	x	√	x	√	x	x	x	√	x	x	√	x	x	√x	√	x	x	x	√x	x	√	x	x	x	x	x	√	n/a	√	√		

Summary:

✓	25	6	12	1	2	8	25	4	11	2	2	8	26	2	1	15	5	9	1	14	8	0	1	9	1	10	10	12	6	2	3	15	0	15	20	0
x	1	20	14	25	24	17	1	21	14	23	22	15	0	24	24	11	21	17	22	11	17	26	25	15	21	16	16	13	20	23	18	9	0	4	2	5
✓ <input checked="" type="checkbox"/>	0	0	0	0	0	1	0	1	1	1	2	3	0	0	1	0	0	0	3	1	1	0	0	2	4	0	0	1	0	1	5	2	0	1	2	0
N/A	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	27	7	2	0
Blank	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	22
Total	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27

Consolidated Audit Observations on Gender and Development
Cluster 5 - Education and Employment
National Government Sector
Calendar Year 2019

	Agency	Audit Observations																																				
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	
1	Department of Education (DepEd)	x	✓x	✓x	✓x	x	x	x	✓x	✓x	x	x	x	✓x	✓x	✓x	✓x	✓x	✓x	✓x	✓x	✓x	✓x	✓x	x	x	✓x	✓x	✓x	✓x	✓x	✓x	✓x	x	x	✓x	x	
2	Early Childhood Care and Development Council (ECCDC)	✓	x	x	x	x	x	✓	x	x	x	x	x	✓	x	x	x	✓	✓	✓x	✓	x	x	x	x	✓x	✓	x	x	x	x	x	x	x	x	x	x	x
3	National Book Development Board (NBDB)	✓	x	x	x	x	x	✓	x	x	x	x	x	✓	x	x	✓	x	x	✓x	✓	x	x	x	✓	x	x	✓	✓	x	x	x	✓	x	x	✓	x	
4	National Council for Children’s Television (NCCT)	x	x	x	x	x	x	x	✓	✓	x	x	x	✓	x	x	✓	x	x	✓	x	x	x	x	x	x	✓	x	x	✓	x	x	x	x	x	x	x	
5	National Museum (NM)	✓	x	x	x	x	x	✓	x	x	x	x	x	✓	x	x	✓	x	x	x	✓	x	x	x	x	x	✓	x	x	x	x	x	✓	x	✓x	✓x	x	
6	University of the Philippines System (UPS)	✓x	x	✓x	x	x	x	✓x	x	x	x	x	x	x	x	x	✓	x	x	✓x	✓	✓x	x	x	✓x	✓x	✓	x	✓x	x	x	x	x	x	x	x	x	
7	Eulogio “Amang” Rodriguez Institute of Science and Technology (EARIST)	✓	x	x	x	x	x	✓	x	x	x	x	x	✓	x	x	✓	x	x	✓x	✓x	✓x	x	✓	✓	x	x	✓	✓	x	x	✓	✓	x	✓	✓	x	
8	Marikina Polytechnic College (MPC)	✓	x	x	x	x	x	✓	x	x	x	x	x	✓	x	x	✓	x	x	✓x	✓x	✓x	x	✓	x	x	✓	x	x	x	x	✓	✓	x	✓	✓	x	
9	Philippine State College of Aeronautics (PhilSCA)	✓	✓	✓	x	✓	✓	✓	✓	✓	x	x	✓	✓	x	✓x	✓	x	x	✓x	✓	✓x	✓x	✓x	✓x	✓x	x	✓	x	x	✓	x	x	x	x	x	x	
10	Philippine Normal University (PNU)	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	✓	x	x	✓	x	x	x	x	x	x	✓	x	x	x	x	x	x	x	x	x	x	
11	Polytechnic University of the Philippines (PUP)	✓	x	x	x	x	x	✓	x	x	x	x	x	✓	x	x	✓	x	x	✓x	✓x	✓x	x	x	✓	✓x	✓x	✓x	✓	x	x	x	✓	x	✓	✓	x	
12	Rizal Technological University (RTU)	✓	✓	✓	x	x	x	✓	✓	✓	x	x	x	✓	✓x	✓x	x	✓	x	✓	✓	✓	x	x	x	✓x	✓	x	x	x	x	x	✓	x	x	✓	x	
13	Technological University of the Philippines (TUP)	✓	x	x	x	✓x	✓	✓x	x	x	x	✓	x	✓	x	x	✓	x	x	x	✓	x	x	x	x	x	x	x	x	✓	x	x	x	x	x	x	x	
14	Commission on Higher Education (CHED)	✓	x	x	x	x	x	✓	x	x	x	x	x	✓	x	x	✓	x	x	✓	x	x	x	x	x	x	✓	x	x	✓	x	x	x	x	x	x	x	
15	Department of Labor and Employment (DOLE)	✓	x	x	x	x	✓x	✓	x	x	x	x	x	✓	x	x	x	x	✓	x	✓	x	✓	x	x	x	x	✓	x	✓	x	x	x	x	✓	✓	x	
16	Professional Regulation Commission (PRC)	✓	x	x	x	x	x	✓	x	x	x	x	x	✓	x	x	✓	x	x	✓	x	x	x	x	✓	x	x	✓	✓	x	x	x	✓	x	✓	✓	x	

Consolidated Audit Observations on Gender and Development
Cluster 5 - Education and Employment
National Government Sector
Calendar Year 2019

	Agency	Audit Observations																																					
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36		
17	Institute for Labor Studies (ILS)	✓	x	x	x	x	x	✓	x	x	x	x	x	✓	x	x	x	x	✓	x	x	✓	x	x	x	x	x	✓	x	✓	x	x	✓	x	✓	✓	✓	x	
18	National Conciliation and Mediation Board (NCMB)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	x	✓	x	✓x	✓x	x	✓	✓	✓	x	✓	x	✓	✓x	✓x	✓	✓	✓	✓	x	x	x	x
19	National Labor Relations Commission (NLRC)	✓x	x	x	x	x	x	✓x	x	x	x	x	✓x	✓	x	x	✓x	x	✓x	✓x	✓x	x	x	x	x	x	✓x	x	✓x	x	x	x	x	x	x	✓	✓	x	x
20	National Wages Productivity Commission (NWPC)	✓	x	x	x	x	x	✓	x	x	x	x	✓	x	x	x	x	✓	x	x	✓	x	x	x	x	x	x	✓	x	✓	x	x	✓	x	✓	✓	x	x	
21	Philippine Overseas Employment Administration (POEA)	✓	x	x	x	x	x	✓	✓	✓	x	x	x	✓	x	x	x	x	✓	x	✓x	✓x	x	x	✓	✓x	✓x	✓x	✓x	✓x	x	x	x	✓	x	x	x	x	x
22	Overseas Workers Welfare Administration (OWWA)	✓	x	✓	x	✓	x	✓	✓	x	x	✓	x	✓	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
23	Technical Education and Skills Development Authority (TESDA)	✓	x	✓	x	x	✓x	✓	x	✓x	x	x	✓x	✓x	x	x	✓	x	x	x	✓	x	✓x	x	x	x	✓	x	x	x	x	x	x	x	x	x	x	x	x

Summary:																																				
✓	18	3	5	1	3	3	17	6	5	1	3	2	19	1	1	13	3	5	5	9	3	2	3	6	0	11	6	5	7	0	3	11	1	8	10	0
x	3	19	16	21	19	18	3	16	16	22	20	19	2	20	19	8	19	16	8	7	13	18	18	15	18	8	14	14	14	21	19	11	22	14	11	23
✓ <input checked="" type="checkbox"/>	2	1	2	1	1	2	3	1	2	0	0	2	2	2	3	2	1	2	10	7	7	3	2	2	5	4	3	4	2	2	1	1	0	1	2	0
N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Blank	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23

Consolidated Audit Observations on Gender and Development

Cluster 6 - Health & Science

National Government Sector

Calendar Year 2019

	Agencies	Audit Observations																																				
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	
1	Department of Science and Technology	✓	x	x	x	x	x	✓	x	x	x	x	x	✓	x	x	✓	x	x	x	✓	x	x	x	✓	x	x	✓	✓	x	x	x	x	N/A	N/A	✓		
2	Science Education Institute	✓	x	x	x	x	x	✓	x	x	x	x	x	✓	x	x	x	x	✓	x	✓	x	x	x	x	x	✓	x	x	✓	✓	✓	N/A	N/A	✓	N/A		
3	Science and Technology Information Institute	✓	x	x	x	x	x	✓	x	x	x	x	x	✓	x	x	x	x	✓	x	✓	x	x	x	x	x	✓	✓	x	x	x	x	✓	N/A	N/A	✓	N/A	
4	Philippine Council for Industry, Energy and Emerging Technology Research and Development	✓	x	✓	✓x	✓x	✓x	✓	x	✓	✓x	✓x	✓x	✓	x	x	x	x	✓	x	✓	x	x	x	✓	x	x	✓	✓	✓x	x	x	✓x	N/A	N/A	✓		
5	Philippine Atmospheric, Geophysical and Astronomical Services Administration	✓	✓	✓	x	x	x	✓	✓	✓	x	x	x	✓	x	x	x	x	✓	x	✓	x	x	x	x	✓	x	✓	x	x	x	x	✓	N/A	N/A	✓		
6	Philippine Institute of Volcanology and Seismology	✓	x	✓	x	✓x	✓x	✓	x	✓	x	✓x	✓x	✓	x	x	✓	x	x	x	✓	x	x	x	x	✓	x	x	x	x	✓	x	✓	N/A	N/A	✓		
7	Philippine Nuclear Research Institute	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	✓	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x		
8	Philippine TeOtile Research Institute	✓	x	x	x	x	x	✓	x	x	x	x	x	✓	x	x	x	✓	x	x	x	✓	x	x	✓	x	x	✓	✓	x	x	x	✓	N/A	✓	✓		
9	Industrial Technology Development Institute	✓	x	x	x	x	x	✓	x	x	x	x	x	✓	x	x	x	✓	x	x	x	✓	x	x	✓	x	x	x	✓	x	x	x	✓	N/A	✓	✓		
10	Food and Nutrition Research Institute	✓	x	x	x	✓x	✓x	✓	x	x	x	✓x	✓x	✓	x	x	x	x	✓	x	✓	x	x	x	x	x	x	✓	x	x	x	✓	x	N/A	x	x		
11	Advanced Science and Technology Institute	✓	x	✓	x	✓x	✓	✓	x	✓	x	✓x	✓x	✓	x	x	x	✓	✓	x	✓	x	x	x	x	x	✓	x	x	✓	✓	x	✓	N/A		✓		
12	Philippine Science High School	✓	x	x	x	✓	x	✓	x	x	x	✓	x	✓	x	x	x	x	✓	x	x	✓	x	x	✓	x	x	✓	x	x	x	✓	x	N/A	✓	✓		
13	Technology Application and Promotion Institute	✓	✓	✓	x	x	✓	✓	x	✓	x	x	x	✓	x	x	✓	x	x	x	✓	✓	x	x	x	x	✓	✓	x	x	x	✓	N/A	✓	✓			
14	Philippine Council for Health Research and Development	✓	x	x	x	x	x	✓	x	x	x	x	x	✓	x	x	x	✓	✓	x	x	✓	x	x	x	x	✓	✓	x	x	x	✓	N/A	✓	✓			
15	National Academy of Science and Technology	✓	x	x	x	x	x	✓	x	x	x	x	x	✓	x	x	x	✓	✓	x	x	✓	x	x	x	x	✓	x	x	x	x	✓	N/A	✓	✓			
16	Metals Industry Research and Development Center	✓	✓	✓	x	x	x	✓	x	x	x	x	x	✓	x	x	x	✓	x	x	x	✓	x	x	x	x	✓	✓	x	x	x	✓	N/A	x	✓			
17	National Research Council of the Philippines	✓	✓	✓	x	x	✓	✓	x	x	x	x	x	✓	x	x	x	✓	✓	x	✓	x	x	x	x	x	✓	x	x	x	x	x	✓	N/A	x	✓		
18	Department of Social Welfare and Development	✓	x	x	x	x	x	✓	x	x	x	x	x	✓	x	x	x	x	✓	x	x	✓	x	x	x	x	✓	x	x	x	x	x	✓		x	✓		
19	Inter Country Adoption Board	✓	✓	✓	x	x	x	✓	x	✓x	x	x	x	✓	x	✓	✓	x	x	x	✓	x	x	x	✓	✓x	x	✓	✓	✓	✓	x	x	x	N/A	x	x	x
20	Juvenile Justice And Welfare Council	x	x	x	x	x	x	x	x	x	x	x	x	✓	x	✓	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	x	x	x	x	N/A	x	x	x	
21	Council for the Welfare of Children	✓	✓	✓	x	x	x	✓	✓	✓	x	x	x	✓	x	✓	✓	x	x	x	✓	x	x	x	✓	x	x	x	✓	✓	x	x	x		x	x		
22	National Council on Disability Affairs	✓	✓	✓	x	x	x	✓	✓	✓	x	x	x	✓	x	x	x	x	✓	x	x	✓	x	x	x	x	✓x	✓	x	✓	x	x	x		x	x		
23	Department of Health	x	x	✓	x	x	x	x	✓	x	x	x	✓	x	x	✓	✓	x	x	✓	x	x	✓	x	x	✓	x	x	x	✓	x	x	x	N/A	x	x	✓	
24	National Nutrition Council	✓	x	x	x	x	x	✓	x	x	x	x	x	✓	x	x	x	x	✓	x	x	x	x	x	x	✓	✓	x	x	✓	x	x	x	N/A	N/A	x	N/A	
25	Department of Information and Communication Technology	✓	x	x	✓	x	x	✓	x	✓	x	x	x	✓	x	✓	x	x	✓	x	x	✓	x	x	✓	x	x	x	✓	x	x	x	x	x	x	x	✓	

Agencies		Audit Observations																																			
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36
26	National Telecommunications Commission	✓	x	x	x	x	x	✓	x	✓x	✓x	✓x	x	✓	x	x	✓	x	x	x	✓	x	x	x	x	x	✓x	x	x	x	✓	✓	x	N/A	N/A	✓	N/A
27	National Privacy Commission	✓	x	✓	x	x	x	✓	x	✓	x	x	x	✓	x	x	✓	x	x	x	✓	x	x	x	x	x	✓	x	x	x	x	x	x	x	x	x	

Summary:

✓	24	7	12	1	1	3	24	3	10	0	1	1	25	0	5	9	7	14	1	12	11	2	0	8	2	8	14	10	6	4	4	13	0	6	17	2
X	3	20	15	25	22	21	3	24	15	25	21	22	2	27	22	17	19	12	25	14	15	24	26	18	23	15	12	16	20	23	23	13	3	12	10	3
✓ <input checked="" type="checkbox"/>	0	0	0	1	4	3	0	0	2	2	5	4	0	0	0	0	0	0	0	0	0	0	0	0	1	3	0	0	1	0	0	1	0	0	0	0
N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	1	1	1	1	1	1	1	1	1	1	1	0	0	0	0	21	8	0	4
Blank	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3	1	0	18
Total	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27	27

Consolidated Audit Observations on Gender and Development
National Government Sector
Cluster 7 - Public Works, Transport and Energy
Calendar Year 2019

	Agency	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36
1	DPWH	✓	✓	✓	x	x	x	✓	✓	✓	x	x	x	✓	x	x	✓	✓	x	x	✓	✓	x	x	✓	✓	✓	x	✓	✓	x	x	✓	NA	x	✓	✓
2	MMDA	✓	x	✓	x	x	x	✓	x	✓	x	x	x	✓	x	x	x	x	✓	x	✓	x	x	x	x	x	✓	x	x	x	✓	x	✓	NA	✓	✓	✓
3	DOTr	✓	✓	✓	x	x	x	✓	✓	✓	x	x	x	✓	x	✓	✓	x	x	✓	✓	✓	✓	✓	x	✓	✓	✓	x	✓	x	x	✓	NA	✓	x	x
4	MARINA	✓	x	✓	x	x	✓	✓	x	✓	x	x	✓	✓	x	x	✓	x	x	✓	✓	x	✓	✓	x	✓	✓	✓	x	✓	x	x	x	NA	x	x	x
5	CAB	✓	x	x	x	x	x	✓	x	x	x	x	x	✓	x	✓	x	x	✓	x	✓	x	✓	✓	x	x	✓	x	x	✓	x	x	x	NA	x	x	x
6	OTS	✓	x	x	x	x	x	✓	x	x	x	x	x	✓	x	✓	✓	x	x	x	✓	x	x	x	x	x	✓	x	x	✓	x	x	x	NA	x	x	x
7	OTC	✓	✓	✓	x	x	x	✓	✓	✓	x	x		✓	x	✓	✓	x	x	✓	x	x	✓	✓	x	x	✓	x	x	✓	✓	x	✓	NA	x	x	✓
8	TRB	✓	x	x	x	x	x	✓	x	x	x	x	x	✓	x	x	✓	x	x	x	✓	✓	✓	x	x	x	✓	x	x	✓	✓	x	✓	NA	✓	✓	✓
9	PCG	✓	✓	✓	x	x	x	✓	✓	✓	x	x	x	✓	✓	✓	✓	x	x	✓	✓	✓	✓	x	x	✓	✓	x	x	✓	x	✓	x	NA	x	x	x
10	DOT	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	x	x	✓	✓	x	✓	✓	✓	x	x	✓	✓	✓	✓	✓	✓	NA	NA	X	NA
11	NPDC	✓	✓	✓	x	x	x	✓	x	✓	x	x	x	✓	x	x	x	✓	x	x	x	✓	x	x	✓	x	✓	x	x	x	✓	x	✓	NA	✓	✓	NA
12	IA	✓	x	✓	x	x	x	✓	x	x	x	x	x	✓	x	x	x	✓	x	x	x	✓	x	x	✓	x	✓	x	x		✓	x	✓	NA	✓	✓	NA
13	DOE	✓	✓	✓	x	x	x	✓	x	✓	x	x	x	✓	✓	x	✓	x	x	x	✓	x	x	x	x	x	✓	x	x	✓	x	x	x	NA	x	✓	✓
14	ERC	✓	x	x	x	x	x	✓	✓	✓	x	x	x	✓	x	✓	✓	x	x	x	✓	x	✓	x	x	x	x	✓	✓	x	x	✓	x	NA	✓	✓	x

Summary:

✓	13	6	9	0	0	1	12	5	9	0	0	1	14	1	3	10	3	2	1	11	3	3	0	3	1	12	2	3	9	5	1	5	0	5	4	2
X	0	7	4	13	13	12	0	8	4	13	13	11	0	11	7	4	11	12	9	3	8	6	9	10	10	2	10	11	3	8	11	6	0	7	7	6
✓ <input checked="" type="checkbox"/>	1	1	1	1	1	1	2	1	1	1	1	1	0	2	4	0	0	0	4	0	3	5	5	1	3	0	2	0	1	1	2	3	0	1	3	3
N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	14	1	0	3
NONE	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Blank	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0
Total	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14

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Summary:

[illegible]

PART IX

ANNEX

List of NGAs which submitted their FSs for FY 2019

National Government Agency

Office Address

Congress of the Philippines

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|---|---|---|
| 1 | Senate of the Philippines | GSIS Building, Financial Center Diokno Boulevard,
Pasay City |
| 2 | Senate Electoral Tribunal | 3 rd Floor, Delegation Building, Philippine International
Convention Center (PICC), Pasay City |
| 3 | Commission on Appointments | 6/F PNB Financial Center, D. Macapagal Blvd., Pasay City |
| 4 | House of Representatives | Batasang Pambansa Complex Batasan Hills, Quezon City |
| 5 | House of Representatives Electoral Tribunal | Room 301, 3 rd Floor, Right Wing, Electoral Tribunal
Building, Commonwealth Avenue, Quezon City |

Office of the President

- | | | |
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| 6 | Office of the President Proper | Malacañang Complex, J. P. Laurel St., San Miguel, Manila |
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Office of the Vice President

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| 7 | Office of the Vice President Proper | Quezon City Reception House, 100 10 th St., Brgy. Mariana,
New Manila, Quezon City |
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Department of Agrarian Reform

- | | | |
|---|-------------------------|---------------------------------------|
| 8 | Office of the Secretary | Elliptical Road, Diliman, Quezon City |
|---|-------------------------|---------------------------------------|

Department of Agriculture

- | | | |
|----|--|---|
| 9 | Office of the Secretary | Elliptical Road, Diliman, Quezon City |
| 10 | Agricultural Credit Policy Council | San Miguel Ave cor. Shaw Blvd., Ortigas Center, Pasig City |
| 11 | Bureau of Fisheries and Aquatic Resources | 3/F PCA Bldg., Elliptical Road, Diliman, Quezon City |
| 12 | National Meat Inspection Service | BAI Compound, Visayas Ave., Quezon City |
| 13 | Philippine Carabao Center | Science City of Muñoz, Nueva Ecija |
| 14 | Philippine Center for Postharvest Development and
Mechanization | Central Luzon State University (CLSU) Compound, Science
City of Muñoz, Nueva Ecija |
| 15 | Philippine Council for Agriculture and Fisheries | Apacible Bldg., DA Compound, Elliptical Road, Diliman,
Quezon City |
| 16 | Philippine Fiber Industry Development Authority | DA- PCAF Bldg., DA Compound, Elliptical Road, Diliman,
Quezon City |
| 17 | National Tobacco Administration | Sct. Reyes cor Panay Ave., Quezon City |
| 18 | Fertilizer and Pesticide Authority | FPA Bldg. BAI Compound, Visayas Ave. Diliman, Quezon
City |
| 19 | Philippine Coconut Authority | Elliptical Road, Diliman, Quezon City |
| 20 | Philippine Rice Research Institute | Maligaya Science City of Munoz, Nueva Ecija |

Department of Budget and Management

- | | | |
|----|---|---|
| 21 | Office of the Secretary | Boncodin Hall, General Solano St., San Miguel, Manila |
| 22 | Government Procurement Policy Board-Technical
Support Office | Raffles Corporate Center, F. Ortigas Jr. Road, Ortigas, Pasig
City |
| 23 | Procurement Service | PS DBM Compound, RR Road, Cristobal St., Paco, Manila |

Department of Education

- | | | |
|----|--|--|
| 24 | Office of the Secretary | DepEd Complex, Meralco Ave., Pasig City |
| 25 | Early Childhood Care and Development Council | 4/F Belvedere Tower, No. 15 San Miguel Ave., Ortigas
Center, Pasig City |
| 26 | National Book Development Board | Dorm E, DepEd Complex Meralco Ave., Pasig City |
| 27 | National Council for Children's Television | 4/F Bonifacio Bldg., DepEd Complex, Meralco Ave., Pasig
City |
| 28 | National Museum | Executive House Bldg., P. Burgos St., Taft Ave., Manila |
| 29 | Philippine High School for the Arts | National Arts Center, Mt. Makiling, Los Baños, Laguna |

State Universities and Colleges

- | | | |
|----|---|---|
| 30 | University of the Philippines System | Diliman, Quezon City |
| 31 | Eulogio "Amang " Rodriguez Institute of Science &
Technology | Nagtahan St., Sampaloc, Manila |
| 32 | Marikina Polytechnic College | Mayor Juan Chanyungco St., Sta. Elena, Marikina City |
| 33 | Philippine Normal University | Taft Ave., Manila |
| 34 | Philippine State College of Aeronautics | Villamor Air Base, Pasay City |
| 35 | Polytechnic University of the Philippines | Sta. Mesa, Manila |
| 36 | Rizal Technological University | Boni Ave., Mandaluyong City |
| 37 | Technological University of the Philippines | Ayala Boulevard, cor. San Marcelino St., Ermita, Manila |
| 38 | Don Mariano Marcos Memorial State University | La Union |
| 39 | Ilocos Sur Polytechnic State College | Municipality of Sta. Maria, Ilocos Sur |
| 40 | Mariano Marcos State University | City of Batac, Ilocos Norte |
| 41 | North Luzon Philippine State College | San Nicolas, Candon City, Ilocos Sur |
| 42 | Pangasinan State University | Municipality of Lingayen, Pangasinan |

National Government Agency**Office Address**

43	University of Northern Philippines	Vigan City, Ilocos Sur
44	Abra State Institute of Science and Technology	Lagangilang, Abra
45	Apayao State College	Malama, Conner, Apayao
46	Benguet State University	La Trinidad, Benguet
47	Ifugao State University	Lamut, Ifugao
48	Kalinga State University	Tabuk, Kalinga
49	Mountain Province State Polytechnic College	Poblacion, Bontoc, Mountain Province
50	Batanes State College	Basco, Batanes
51	Cagayan State University	Tuguegarao City, Cagayan
52	Isabela State University	Echague, Isabela
53	Nueva Vizcaya State University	Echague, Isabela; Bayombong, Nueva Vizcaya
54	Quirino State College	Diffun, Quirino
55	Aurora State College of Technology	Sitio Dicaloyungan, Brgy. Zabali, Baler, Aurora
56	Bataan Peninsula State University	Balanga City, Bataan
57	Bulacan Agricultural State College	San Ildefonso, Bulacan
58	Bulacan State University	Manila North Road, Brgy. Guinhawa, Malolos City, Bulacan
59	Central Luzon State University	Science City of Muñoz, Nueva Ecija
60	Don Honorio Ventura Technological State University	Bacolor, Pampanga
61	Nueva Ecija University of Science and Technology	Gen. Tinio St., Cabanatuan City
62	Pampanga State Agricultural University	Magalang, Pampanga
63	Philippine Merchant Marine Academy	Brgy. San Nicolas, San Narciso, Zambales
64	Ramon Magsaysay Technological University	Iba, Zambales
65	Tarlac Agricultural University	Camiling, Tarlac
66	Tarlac State University	Tarlac City
67	Batangas State University	Rizal Ave. Extension, Batangas
68	Cavite State University	Indang, Cavite
69	Laguna State Polytechnic University	Sta. Cruz, Laguna
70	Southern Luzon State University	Lucban, Quezon
71	University of Rizal System	Morong, Rizal
72	Marinduque State College	Tanza, Boac, Marinduque
73	Mindoro State University (Mindoro State College of Agriculture and Technology)	Victoria, Oriental Mindoro
74	Occidental Mindoro State College	San Jose, Occidental Mindoro
75	Palawan State University	Puerto Princesa City, Palawan
76	Romblon State University	Odiongan, Romblon
77	Western Philippines University	Aborlon, Palawan
78	Bicol State College of Applied Sciences and Technology	Penafrancia Ave, Naga, Camarines Sur
79	Bicol University	Legazpi City
80	Camarines Norte State College	Daet, Camarines Norte
81	Camarines Sur Polytechnic Colleges	Nabua, Camarines Sur
82	Catanduanes State University	Virac, Catanduanes
83	Central Bicol State University of Agriculture	Pili, Camarines Sur
84	Dr. Emilio B. Espinosa Sr. Memorial State College of Agriculture and Technology	Mandaon, Masbate
85	Partido State University	Goa, Camarines Sur
86	Sorsogon State College	Sorsogon City
87	Aklan State University	Banga, Aklan
88	Capiz State University	Roxas City, Capiz
89	Carlos C. Hilado Memorial State College	Talisay City, Negros Occidental
90	Central Philippines State University	Kabankalan City, Negros Occidental
91	Guimaras State College	Buenvista, Guimaras
92	Iloilo State University of Science and Technology	Barotac Nuevo, Iloilo
93	Northern Iloilo State University (Northern Iloilo Polytechnic State College)	Estancia, Iloilo
94	Northern Negros State College of Science and Technology	Sagay City, Negros Occidental
95	University of Antique	Santiago Lotilla St., Sibalom, Antique
96	West Visayas State University	Luna St., La Paz, Iloilo City
97	Iloilo State University of Science and Technology (Iloilo State College of Fisheries)	Burgos St., La Paz, Iloilo City
98	Bohol Island State University	Carlos P. Garcia North Ave., Tagbilaran City
99	Cebu Normal University	Osmeña Boulevard, Cebu City
100	Cebu Technological University	cor. M.J. Cuenco Ave. and R. Palma St., Cebu City
101	Negros Oriental State University	Kagawasan Ave., Dumaguete City
102	Siquijor State College	Larena, Siquijor
103	Eastern Samar State University	Borongan, Eastern Samar
104	Eastern Visayas State University	Aquino Ave., Tacloban City, Leyte
105	Leyte Normal University	Tacloban City, Leyte
106	Naval State University	Naval, Biliran
107	Northwest Samar State University	Calbayog City, Samar
108	Palompon Polytechnic State University (Palompon Institute of Technology)	Evangelista St., Palompon, Leyte

National Government Agency**Office Address**

109	Samar State University	Catbalogan, Samar
110	Southern Leyte State University	Sogod, Southern Leyte
111	University of Eastern Philippines	University Town, Catarman, Northern Samar
112	Visayas State University	Visca, Baybay City, Leyte
113	J. H. Cerilles State College	San Miguel, Zamboanga del Sur
114	Jose Rizal Memorial State University	Dapitan City, Zamboanga del Norte
115	Western Mindanao State University	Normal Road, San Jose, Zamboanga City
116	Zamboanga City State Polytechnic College	Zamboanga City
117	Zamboanga State College of Marine Science and Technology	Fort Pilar, Zamboanga City
118	Bukidnon State University	Fortich St., Malaybalay City, Bukidnon
119	Camiguin Polytechnic State College	Balbagon, Mambajao, Camiguin
120	Central Mindanao University	Musuan, Bukidnon
121	MSU - Iligan Institute of Technology	Andres Bonifacio Ave., Tibanga, Iligan City
122	Northwestern Mindanao State College Science and Technology	Labuyo, Tangub City
123	University of Science and Technology of Southern Philippines – Cagayan de Oro Campus	Claro M. Recto Ave., Lapasan, Cagayan de Oro City
124	University of Science and Technology of Southern Philippines – Claveria Campus	Claveria, Misamis Oriental
125	Compostela Valley State College	Montevista, Compostela Valley
126	Davao del Norte State College	New Visayas, Panabo City, Davao del Norte
127	Davao Oriental State College of Science and Technology	Mati, Davao Oriental
128	Southern Philippines Agri-Business and Marine Aquatic School of Technology	Malita, Davao del Sur
129	University of Southeastern Philippines	Iñigo St., Obrero, Davao City
130	Cotabato State University (Cotabato City State Polytechnic College)	Sinsuat Ave., Maguindanao, Cotabato City
131	Cotabato Foundation College of Science and Technology	Doroluman, Arakan, Cotabato
132	Sultan Kudarat State University	Tacurong City, Sultan Kudarat
133	University of Southern Mindanao	Kabacan, North Cotabato
134	Agusan del Sur State College of Agriculture and Technology	Bunawan, Agusan del Sur
135	Caraga State University	Ampayon, Butuan City, Agusan del Norte
136	Surigao del Sur State University	Tandag, Surigao del Sur
137	Surigao State College of Technology	Surigao City
138	Adiong Memorial Polytechnic State College	Dit-saan Ramin, Lanao del Sur
139	Basilan State College	Isabela City, Basilan
140	Mindanao State University	Marawi City
141	MSU-Tawi-Tawi College of Technology and Oceanography	Sanga-Sanga, Bongao, Tawi-Tawi
142	Sulu State College	Jolo, Sulu
143	Tawi-Tawi Regional Agricultural College	Bongao, Tawi-Tawi

Department of Energy

144	Office of the Secretary	2/F PNOC Bldg. V, Energy Center, Rizal Drive, 34 th St., Bonifacio Global City, Taguig City
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Department of Environment and Natural Resources

145	Office of the Secretary	Visayas Ave., Diliman, Quezon City
146	Environmental Management Bureau	DENR Compound, Visayas Ave., Diliman, Quezon City
147	Mines and Geo-Sciences Bureau	Vasra, Diliman, Quezon City
148	National Mapping and Resources Information Authority	Lawton Ave., Fort Andres Bonifacio, Taguig
149	National Water Resource Board	8/F, NIA Bldg., EDSA, Diliman
150	Palawan Council for Sustainable Development Staff	PCSD Bldg. Sports Complex Road, Sta. Monica Heights, Puerto Princesa City, Palawan

Department of Finance

151	Office of the Secretary	6/F DOF Bldg., Roxas Blvd. cor. Pablo Ocampo St., Manila
152	Bureau of Customs	Bureau of Customs Bldg., Port Area, South Harbor, Manila
153	Bureau of Internal Revenue	Rm. 405, BIR National Office Bldg., Diliman, Quezon City
154	Bureau of Local Government Finance	8/F EDPC Bldg., BSP Complex, Roxas Blvd., Manila
155	Bureau of the Treasury	Ayuntamiento Bldg., Soriano Ave., Intramuros, Manila
156	Central Board of Assessment and Appeals	7/F EDPC Bldg., BSP Complex, Roxas Blvd., Manila
157	Insurance Commission	1071 United Nations Ave., Ermita, Manila
158	National Tax Research Center	Harbor Centre II, 23 rd cor. A. C. Delgado St., Port Area, Manila
159	Privatization Management Office	3/F North Davao Mining Corp. Bldg., 104 Gamboa St., Legaspi Village, Makati City
160	Securities and Exchange Commission	SEC Main Office Secretarial Bldg., PICC Complex, Roxas Blvd., Pasay
161	Municipal Development Fund Office	Palacio del Gobernador, Gen. Luna St., Intramuros, Manila

National Government Agency**Office Address****Department of Foreign Affairs**

- 162 Office of the Secretary
163 Foreign Service Institute
164 Technical Cooperation Council of the Philippines
165 UNESCO National Commission of the Philippines

2330 Roxas Blvd., Pasay City
5/F DFA Bldg., Roxas Blvd, Pasay City
6/F DFA Bldg., Roxas Blvd, Pasay City
Ground Flr. DFA Bldg., Roxas Blvd, Pasay City

Department of Health

- 166 Office of the Secretary
167 Commission on Population

168 National Nutrition Council

San Lazaro Compound, Rizal Ave., Sta. Cruz, Manila
Senator Neptali A. Gonzales St., Welfareville Compound,
Mandaluyong, Manila
Nutrition Bldg., Chino Roces Ave., Taguig City

Department of Information and Communications Technology

- 169 Office of the Secretary
170 National Privacy Commission

171 National Telecommunications Commission

C.P Garcia Ave., Diliman, Quezon City
3rd Level Core G, GSIS Headquarters Bldg., Financial
Center, Pasay City
BIR Road, East Triangle, Diliman, Quezon City

Department of the Interior and Local Government

- 172 Office of the Secretary

173 Bureau of Fire Protection

174 Bureau of Jail Management and Penology
175 Local Government Academy

176 National Commission on Muslim Filipinos

177 National Police Commission

178 National Youth Commission

179 Philippine Commission on Women
180 Philippine National Police

181 Philippine Public Safety College

DILG-NAPOLCOM Center, EDSA cor. Quezon Ave.,
Quezon City
Agham Road, Sitio San Roque, Brgy. Bagong Pag-Asa,
Quezon City
144 Mindanao Ave., Quezon City
8/F & 9/F Agustin I Bldg., F. Ortigas Jr. Road Ortigas
Center, Pasig City
79 Jocer Annex Bldg., Commonwealth Ave., Diliman,
Quezon City
DILG-NAPOLCOM Center, EDSA cor. Quezon Ave.,
Quezon City
3/F, West Insula Bldg., 135 West Ave. cor. EDSA, Quezon
City
J. P. Laurel St., San Miguel, Manila
PNP National Headquarters Camp General Crame, Quezon
City
505 Al-Fer Bldg., B. Serrano Ave. cor. EDSA, Quezon City

Department of Justice

- 182 Office of the Secretary
183 Bureau of Corrections
184 Bureau of Immigration
185 Land Registration Authority
186 National Bureau of Investigation
187 Office of the Government Corporate Counsel

188 Office of the Solicitor General

189 Parole and Probation Administration

190 Presidential Commission on Good Government
191 Public Attorney's Office

DOJ Bldg., Padre Faura St., Ermita, Manila
NBP Reservation, Muntinlupa City
2/F BOI Bldg., Magallanes Drive, Intramuros, Manila
NIA Road cor. East Ave., Diliman, Quezon City
NBI Bldg., Taft Ave., Ermita, Manila
3/F MWSS Admin. Bldg., Katipunan Road, Balara, Quezon
City
OSG Bldg., 134 Amorsolo St., Legaspi Village, Makati City,
1229 Kalakhang Maynila
DOJ Agencies Bldg., NIA Road cor. East Ave., Diliman,
Quezon City
82 IRC Bldg., de los Santos Ave., EDSA, Mandaluyong City
DOJ Agencies Bldg., NIA Road cor. East Ave., Diliman,
Quezon City

Department of Labor and Employment

- 192 Office of the Secretary

193 Institute for Labor Studies
194 National Conciliation and Mediation Board
195 National Labor Relations Commission

196 National Maritime Polytechnic
197 National Wages and Productivity Commission

198 Philippine Overseas Employment Administration
199 Professional Regulation Commission
200 Overseas Workers Welfare Administration

DOLE Bldg., Muralla cor. Gen. Luna Sts., Intramuros,
Manila
5/F DOLE Bldg., Intramuros, Manila
4/F-6/F Arcadia Bldg., Quezon Ave., Quezon City
PPSTA Bldg., Banaue Ave. cor. P. Florentino St., Quezon
City
Brgy. Cabalawan, Tacloban City
2/F & 3/F DY International Bldg., Gen. Malvar cor. San
Marcelino St., Malate, Manila
POEA Bldg., Ortigas Ave. cor. EDSA, Mandaluyong City
P. Paredes St. cor. N. Reyes St., Sampaloc, Manila
F.B. Harrison St, Pasay

Department of National Defense

- 201 Office of the Secretary
202 Government Arsenal
203 National Defense College of the Philippines

204 Office of Civil Defense

Camp General Emilio Aguinaldo, Quezon City
Camp Antonio Luna, Limay, Bataan
"LOGCOM Compound, Camp Gen. Emilio Aguinaldo,
Quezon City
81 15th Ave., Murphy, Cubao, Quezon City

National Government Agency

- 205 Philippine Veterans Affairs Office (Proper)
206 Veterans Memorial Medical Center
207 Veterans Golf Club
208 Armed Forces of the Philippines Commissary and
Exchange Service
209 Philippine Army (Land Forces)
210 Philippine Air Force (Air Force)
211 Philippine Navy (Naval Force)
212 General Headquarters, AFP and AFP Wide Service

Office Address

Camp Emilio Aguinaldo, Quezon City
North Ave., Diliman, Quezon City
Mindanao Ave., Project 6, Quezon City
Camp Emilio Aguinaldo, Quezon City

Fort Bonifacio, Makati City
Villamor Airbase, Pasay City
Roxas Blvd., Manila
Camp General E. Aguinaldo, Quezon City

Department of Public Works & Highways

- 213 Office of the Secretary

Bonifacio Drive Port Area, 652 Zone 068, Manila

Department of Science and Technology

- 214 Office of the Secretary
215 Advanced Science and Technology Institute

216 Food and Nutrition Research Institute

217 Forest Products Research and Development Institute
218 Industrial Technology Development Institute

219 Metals Industry Research and Development Center

220 National Academy of Science and Technology

221 National Research Council of the Philippines
222 Philippine Atmospheric, Geophysical and Astronomical
Services Administration
223 Philippine Council for Agriculture, Aquatic and Natural
Resources Research and Development
224 Philippine Council for Health Research and Development

225 Philippine Council for Industry, Energy and Emerging
Technology Research and Development

226 Philippine Institute of Volcanology and Seismology

227 Philippine Nuclear Research Institute
228 Philippine Science High School System
229 Philippine Textile Research Institute
230 Science Education Institute

231 Science and Technology Information Institute

232 Technology Application and Promotion Institute

General Santos Ave., Bicutan, Taguig City
ASTI Bldg., UP Technology Park Complex, C.P. Garcia
Ave., Diliman, Quezon City
FNRI Bldg., DOST Compound, General Santos Ave.,
Bicutan, Taguig City
Narra Road, Forestry Campus College, Los Baños, Laguna
DOST Compound, General Santos Ave., Bicutan, Taguig
City
MIRDC Compound, General Santos Ave., Bicutan, Taguig
City
3rd Level Philippine Science Heritage Center DOST
Complex, Bicutan, Taguig City
General Santos Ave., Bicutan, Taguig City
Science Garden Complex Agham Road, Diliman, Quezon
City
Paseo de Valmayor, Timugan, Economic Garden Los Baños,
Laguna
3/F DOST Main Bldg. General Santos Ave., Bicutan, Taguig
City
4th and 5th Level Science Heritage Bldg., Science
Community Complex, General Santos Ave., Bicutan,
Taguig City
PHIVOLCS Bldg., C.P. Garcia Ave., U.P. Campus, Diliman,
Quezon City
Commonwealth Ave., Diliman, Quezon City
Agham Road, Diliman, Quezon City
General Santos Ave., Bicutan, Taguig City
2nd Level, Science Heritage Bldg., Sibol St., DOST
Compound, General Santos Ave., Bicutan, Taguig City
STII Bldg. DOST Complex, General Santos Ave., Bicutan,
Taguig City
DOST Complex, General Santos Ave., Bicutan, Taguig City

Department of Social Welfare and Development

- 233 Office of the Secretary

234 Council for the Welfare of Children
235 Inter-Country Adoption Board

236 National Council on Disability Affairs
237 Juvenile Justice and Welfare Council
238 National Anti-Poverty Commission

239 National Commission on Indigenous Peoples

240 Presidential Commission For The Urban Poor

DSWD Bldg., Contitution Hills, Batasan Complex, Quezon
City
10 Apo St., Sta. Mesa Heights, Quezon City
2 Chicago St. cor. Ermin Garcia St., Brgy. Pinagkaisahan,
Cubao, Quezon City
NCDA Bldg., Isidora St., Barangay Holy Spirit, Quezon City
56 Matimtiman St., Quezon City
Water System Training Center, Local Water Utilities
Administration, MWSS-LWUA Complex, Katipunan
Ave., Quezon City
2/F N. dela Merced Bldg. cor. West & Quezon Ave., Quezon
City
9/F, Sunnymede IT Center, Quezon Ave., South Triangle,
Quezon City

Department of Tourism

- 241 Office of the Secretary

242 Intramuros Administration

243 National Park Development Committee
244 Tourism Promotions Board

The New DOT Bldg., 351 Senator Gil Puyat Ave., Makati
City
5/F Palacio del Gobernador, General Luna St., Intramuros,
Manila
Rizal Park, Kalaw Ave., Ermita, Manila
4/F Legaspi Towers 300, Roxas Blvd., Malate, Manila

Department of Trade and Industry

National Government Agency

245	Office of the Secretary
246	Board of Investments
247	Construction Industry Authority of the Philippines
248	Design Center of the Philippines
249	Intellectual Property Office
250	Philippine Trade Training Center
251	Cooperative Development Authority
252	Technical Education and Skills Development Authority

Department of Transportation

253	Office of the Secretary
254	Civil Aeronautics Board
255	Maritime Industry Authority
256	Office of Transportation Cooperatives
257	Office for Transportation Security
258	Philippine Coast Guard
259	Toll Regulatory Board

National Economic and Development Authority

260	Office of the Director General
261	Philippine National Volunteer Service Coordinating Agency
262	Public-Private Partnership Center of the Philippines
263	Philippine Statistical Research and Training Institute
264	Philippine Statistics Authority
265	Tariff Commission

Presidential Communications Operations Office

266	Presidential Communications Operations Office Proper
267	Bureau of Broadcast Services
268	Bureau of Communications Services
269	National Printing Office
270	News and Information Bureau
271	Philippine Information Agency
272	Presidential Broadcast Staff (RTVM)

Other Executive Offices

273	Anti-Money Laundering Council
274	Anti-Red Tape Authority
275	Climate Change Commission
276	Commission on Filipino Overseas
277	Commission on Higher Education
278	Commission on the Filipino Language
279	Cultural Center of the Philippines
280	Dangerous Drug Board
281	Energy Regulatory Commission
282	Film Development Council of the Philippines
283	Games and Amusement Board

Office Address

Industry & Investments Bldg, 385 Sen. Gil J. Puyat Ave., Makati City
Industry & Investments Bldg., 385 Sen. Gil J. Puyat Ave., Makati City
5/F Executive Center Bldg., 369 Sen. Gil J. Puyat Ave., Makati City
G/F PTTC Bldg., International Trade Center Complex, Roxas Blvd., cor. Sen. Gil Puyat Ave., Pasay
28 Upper McKinley Road, McKinley Hill Town Center Fort Bonifacio, Taguig City
International Trade Center Complex, Roxas Blvd., cor. Sen. Gil J. Puyat Ave., Pasay City
5/F CDA Bldg., 827 Brgy. Immaculate Concepcion, Aurora Blvd., Quezon City
TESDA Administrative Bldg., TESDA Complex, East Service Road, South Superhighway, Taguig

Apo Court along Sergio Osmeña Sr. Clark Freeport Zone, Pampanga
OLD, NAIA Road, Pasay City
MARINA Bldg., Bonifacio Drive cor. 20th St., Port Area, Manila
5 th Floor, Ben-Lor Building, Quezon Avenue, Quezon City
Aurora Blvd, Malibay, Pasay
139 25th St., Port Area, Manila
5 th Floor, Columbia Tower, Ortigas Center Pasig City

12 St., Josemaria Escriva Drive, Ortigas Center, Pasig City
Philippine Sugar Center Bldg., North Ave., Quezon City
8/F, One Cyberpod Centris, EDSA cor. Quezon Ave., Brgy. Piñahan, Quezon City
J & S Bldg., 104 Kalayaan Ave, Diliman, Quezon City
2/F TAM Bldg., PSA Complex, East Ave., Diliman, Quezon City
4/F West Insula, West Ave., Quezon City

2/F New Executive Bldg. (NEB), Malacañang Compound
4/F Government Media Center Bldg., VARSA, Quezon City
310 Philippine Cancer Society Bldg., San Rafael St., Malacañang Complex, San Miguel, Manila
EDSA cor. National Printing Office Road, Diliman, Quezon City
NIB Bldg., Malacañang Compound, Manila
PIA Bldg., Visayas Ave., Diliman, Quezon City
RTVM Bldg., J. P. Laurel St., Malacañang, Manila

5/F EDPC Bldg., Bangko Sentral ng Pilipinas Complex Mabini cor. Vito Cruz St., Malate, Manila
Ground Flor HPGV(Formerly Accelerando), 395 Senator Gil J. Puyat Avenue, 1200 Makati City
Rm. 238 Mabini Hall, Malacañang Compound, San Miguel, Manila
City Gold Center, 1345 Pres. Quirino Ave. cor. South Super Highway, Paco, Manila
Higher Education Development Center (HEDC) Bldg., LP Garcia, UP Campus, Quezon City 1101
2/F Watson Bldg., 1610 J. P. Laurel St., Malacañang Palace, San Miguel, Manila
CCP Complex, Roxas Boulevard, Magdalena Jalandoni, Malate, Pasay
3/F DDB-PDEA Bldg., National Government Center, NIA Road, Brgy. Pinyahan, Quezon City
16/F Pacific Center, San Miguel Ave., Ortigas Complex, Pasig City
26/F, 855 T.M. Kalaw St., Ermita, Manila
2/F Legaspi Towers, 200 Paseo de Roxas St., Legaspi Village, Makati City

National Government Agency**Office Address**

284	Governance Commission for Government-Owned or Controlled Corporation	3/F Citibank Centre, Citibank Plaza, Paseo de Roxas cor. Villar St., Makati City
285	Housing and Land Use Regulatory Board	DHSUD Building, Kalayaan Avenue, Corner Mayaman St., Diliman, Quezon City
286	Housing and Urban Development Coordinating Council	DHSUD Building, Kalayaan Avenue, Corner Mayaman St., Diliman, Quezon City
287	Mindanao Development Authority	Old Bangoy Int'l Airport, Old Airport Road, Davao City
288	Movie and Television Review and Classification Board	#18 MTRCB Bldg., Timog Ave., Quezon City
289	National Commission for Culture and the Arts – Proper	633 General Luna St., Intramuros, Manila
290	NCCA – National Historical Commission of the Philippines	National Historical Commission of the Philippines (NHCP) Bldg., T.M. Kalaw St., Manila
291	NCCA – National Library of the Philippines	T. M. Kalaw St., Ermita, Manila
292	NCCA – National Archives of the Philippines	VELCO Centre, R.S. Oca cor. A.C. Delgado St., Port Area, Manila
293	National Intelligence Coordinating Agency	No. 5, V. Luna Road cor. East Ave., Quezon City
294	National Security Council	NICA Compound, V. Luna Road cor. East Ave., Diliman, Quezon City
295	Office of the Presidential Adviser on the Peace Process	7/F, Agustin Bldg., F. Ortigas Jr. Road, Ortigas Center, Pasig
296	Optical Media Board	35 Scout Limbaga, Brgy. Laging Handa, Quezon City
297	Pasig River Rehabilitation Commission	5/F, Triumph Bldg., Quezon Ave., Quezon Ave., Diliman, Quezon City
298	Philippine Competition Commission	25/F Vertis North Corporate Center I, North Ave., Quezon City
299	Philippine Drug Enforcement Agency	PDEA Bldg., NIA Road, National Government Center, Brgy. Pinyahan, Quezon City
300	Philippine Racing Commission	4/F Electra House, Herrera-Esteban Sts., Legaspi Village, Makati City
301	Philippine Sports Commission	Rizal Memorial Sports Complex, Pablo Ocampo Sr. St., Malate, Manila
302	Presidential Communications Development and Strategic Planning Office	3/F New Executive Bldg., Jose P. Laurel St., Malacañang, Manila
303	Presidential Legislative Liaison Office	2/F Annex New Executive Bldg., Malacañang, Manila
304	Presidential Management Staff	AAP Tower #683 Aurora Blvd., Quezon City
305	Davao Integrated Development Program	G/F JFM Corporate Center 848, Atis St., Juna Subdivision, Matina, Davao City

Bangsamoro Autonomous Region in Muslim Mindanao

306	Autonomous Regional Government in Muslim Mindanao	ARMM Compound, Gov. Gutierrez St. Cotabato City
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Joint Legislative Executive Council

307	Legislative Executive Advisory Council	Ground Flr., NEDA Sa Pasig Bldg., Escrivá Drive, Pasig City
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The Judiciary

308	Supreme Court of the Philippines and the Lower Courts	Padre Faura St. cor. Taft Ave., Ermita, Manila
309	Presidential Electoral Tribunal	Padre Faura St. cor. Taft Ave., Ermita, Manila
310	Sandiganbayan	Centennial Bldg. Commonwealth Ave., cor. Batasan Road, Quezon City
311	Court of Appeals	Maria Orosa St., Ermita, Manila
312	Court of Tax Appeals	Agham Road, Government Center, Diliman, Quezon City

Constitutional Offices

	Civil Service Commission	
313	Civil Service Commission	Constitutional Hills, Batasang Pambansa Complex, Diliman Quezon City
314	Career Executive Service Board	Number 3, Marcelino St., Holy Spirit Drive, Isidora Hills, Diliman, Quezon City
315	Commission on Audit	Commonwealth Ave., Quezon City
316	Commission on Elections	Palacio del Gobernador, General Luna St., Intramuros, Manila
	Commission on Human Rights	
317	Commission on Human Rights	SAAC Bldg., UP Complex, Commonwealth Ave., Diliman, Quezon City
318	Human Rights Victims' Violations Memorial Commission	SAAC Bldg., UP Complex, Commonwealth Ave., Diliman, Quezon City
319	Office of the Ombudsman	Ombudsman Bldg., Agham Road, North Triangle, Diliman, Quezon City

Metro Manila Development Authority

320	Metro Manila Development Authority	MMDA Bldg., EDSA cor. Orense St., Guadalupe Nuevo, Makati City
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COMMISSION ON AUDIT

KEY OFFICIALS

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Chairperson

Roland C. Pondoc
Commissioner

Assistant Commissioners

Villa DJ. Bernaldo

Luzvi Pangan Chatto

Winnie Rose H. Encallado

Susan P. Garcia

Alexander B. Juliano

Ma. Mileguas M. Leyno

Leila S. Paras

Roland A. Rey

Fortunata M. Rubico

Manolo C. Sy

Elizabeth S. Zosa

NATIONAL GOVERNMENT SECTOR

Susan P. Garcia

Assistant Commissioner

Daria B. Sison

Director III

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Sofia C. Gemora – Director IV

Edna P. Salaguban – State Auditor V, Acting Assistant Director

Cluster 2 – Oversight and Public Debt Management Agencies

Cora Lea A. Dela Cruz – Director IV

Ma. Theresa B. Ferreros – State Auditor V, Acting Assistant Director

Cluster 3 – Legislative, Judiciary and Constitutional Offices

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Emilio A. Asi, Jr. – State Auditor V, Acting Assistant Director

Cluster 4 – Defense and Security

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Melissa Grace B. Martinez – Director III

Cluster 5 – Education and Employment

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Elenita C. Abesamis – State Auditor V, Acting Assistant Director

Cluster 6 – Health and Science

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Helen T. Quiambao – State Auditor V, Acting Assistant Director

Cluster 7 – Public Works, Transport and Energy

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Marivel C. Broñola – State Auditor V, Acting Assistant Director

Cluster 8 – Agriculture and Environment

Maribeth F. De Jesus – Director IV

Lucena D. Gana – State Auditor V, Acting Assistant Director

GOVERNMENT ACCOUNTANCY SECTOR

Office of the Assistant Commissioner

Villa DJ. Bernaldo

Assistant Commissioner

Atty. Juanita C. Fuggan

Ma. Belen L. Estuaria

Maricel S. Ampoc

Shekinah Roebec M. Osorio

Magdalena M. Gaviola

State Auditor IV, OIC Chief of Staff

Chief Administrative Officer

Administrative Officer II

Administrative Officer II

Administrative Aide IV

Government Accountancy Office

Office of the Director

Carmelita O. Antasuda

Director IV

Editha M. Ramirez

State Auditor V, Acting Assistant Director

Luisa S. Nadonga

Mary Jane S. Liberato

Rufa L. Gunabe

Teddy N. Alejandro

Supervising Administrative Officer

Administrative Officer IV

Administrative Aide V

Administrative Aide IV

General Accounts Services - National I

Anicia H. Guillermo

State Auditor V

Visitacion T. Corpuz

Narcisa S. dela Rosa

Carol M. Orpia

Bryan B. Vilorio

Jay R M. Morales

State Auditor III

State Auditor III

State Auditor II

State Auditor II

State Auditing Examiner II

General Accounts Services - National II

Thelma F. Panganiban

State Auditor V

Elizabeth P. Quiban

Joven L. Recto

Ma. Corazon D. Eguia

Joseph Emmanuel I. Romero

Erwin C. Santos

State Auditor III

State Auditor III

State Auditor II

State Auditor II

State Auditor I

Public Debt and Miscellaneous Accounts Services

Marilyn C. Bibat

State Auditor V

Elmer M. Grande

Jane L. Maramag

Maribel G. Cablayan

Luthor Ace C. Villalva

Jannette N. Caluya

State Auditor IV

State Auditor III

State Auditor III

State Auditor I

State Auditor I

Local Government Accounts Services

Avelina G. Marquez

State Auditor IV

Lorelei L. Datu	State Auditor IV
Jose Jayson L. Medel	State Auditor III
Aida A. Donasco	State Auditor III
Elizabeth D. Ducay	State Auditor II
Earvin John R. Bote	State Auditor II
Ana Liza G. Balares	State Auditing Examiner II

Corporate Government Accounts Services

Ma. Lourdes D. Marayan

State Auditor IV

Princess B. Somera	State Auditor III
Zenaida P. Balmes	State Auditor III
Zosimo C. Gamanos, Jr.	State Auditor II
Gillina R. Misola	State Auditing Examiner II

Accounting Systems Development and Other Services Office (ASDOSO)

Office of the Director

Maria Realiza R. Ysmael

Director III, Officer In-Charge

Annabelle A. Puserio

State Auditor V, Acting Assistant Director

Ana Marie D. Gellecanao	Supervising Administrative Officer
Lailah D. Chua	Administrative Officer IV
Berlin M. Quevedo	Administrative Officer II
Marissa D. Labajan	Administrative Aide IV
Arjay T. Melitado	Administrative Aide IV

Accounting Systems Development and Other Services – National

Vanessa Donnabel M. Lorenzo

State Auditor IV

Pretizel Ivy T. Arteché	State Auditor III
Barby Ann G. Laceda	State Auditor I
Santiago Francisco V. Sagad III	State Auditor I
Dessaries T. Gow	Administrative Aide VI

Accounting Systems Development and Other Services - Corporate

Annabella P. Gabiran

State Auditor V

Arnel A. Manalastas	State Auditor II
Ma. Yvonne J. Regala	State Auditor I
Xezarajjah S. Villanueva	State Auditor I
Ester Joey M. Pintucan	State Auditing Examiner II

Accounting Systems Development and Other Services - Local

Jorgen Z. Fulleros

State Auditor IV

Cristina C. Gungon

Hannah Grace V. Namayan

Rochelle H. Linsangan

Mhay L. Ondoy

State Auditor III

State Auditor II

State Auditing Examiner II

Administrative Aide VI

Technical Assistance and Help Desk Services

Romeo C. Cruz

State Auditor V

Michelle M. Gagarra

Dianne Nicole G. Gabriel

Gabriel B. Mercado

Jenica V. Edoria

Jeline G. Esase

Kayla Mae B. Servigon

Ma. Karizza A A. Cabildo

Lev Justin E. Saclayan

Sarah Joy M. Lambino

Lara Jane DT. Malab

Christian L. Baturi

Information Technology Officer I

Administrative Officer IV

Computer Maintenance Technologist II

State Auditing Examiner II

Computer Maintenance Technologist I

Administrative Officer II

Administrative Officer II

Administrative Officer II

Administrative Officer II

Administrative Aide VI

Administrative Aide VI