



Republic of the Philippines
COMMISSION ON AUDIT

Cordillera Administrative Region
La Trinidad, Benguet

June 9, 2020

Mr. REXTON F. CHAKAS, Ph. D.

College President
Mountain Province State Polytechnic College
Bontoc, Mountain Province

Dear Dr. Chakas,

We are pleased to transmit the Annual Audit Report on the Mountain Province State Polytechnic College for the calendar year ended December 31, 2019 in compliance with Section 2, Article IX-D of the Philippine Constitution and Section 43 of Presidential Decree No. 1445.

The audit was conducted in accordance with International Standards of Supreme Audit Institutions and we believe that it provided a reasonable basis for the results of our audit.

A qualified opinion was rendered on the fairness of presentation of the financial statements of the College for the year ended December 31, 2019.

The report consists of the Audited Financial Statements, Observations and Recommendations, and Status of Implementation of Prior Years' Audit Recommendations.

The following is a summary of the most significant audit findings and observations, the details of which and the other findings and observations, are discussed in the Observations and Recommendations portion of this report:

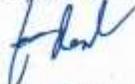
1. The costs of significant Property, Plant and Equipment (PPE) accounts are not adequately supported by their respective Property Plant Equipment Ledger Cards (PPELCs) resulting in a variance of ₱63,309,062.73 contrary to the Government Agencies (NGAs) and casting doubts on the accuracy of these PPE accounts' balances.
2. The Report on the Physical Count of Property, Plant and Equipment (RCPPE) was not submitted within the deadline prescribed in Section 38, Chapter 10, Volume I of the GAM for NGAs precluding a timely review of the information contained therein and its utilization during the verification of the costs of the College's PPE.

3. Receivables from the IGPs amounting to ₱1,533,615.50 remained uncollected as of December 31, 2019, thereby depriving the enterprises of additional revolving funds needs for its operations.
4. Lack of monitoring of fund transfers received from other national government agencies resulted in the accumulation of unliquidated trust liabilities amounting to ₱1,804,027.49 as of year-end, contrary to COA Circular Nos. 94-013 and 2016-005.
5. Disallowances amounting to ₱1,361,873.00 remained unsettled despite the issuance of COA Orders of Execution upon the expiration of the periods to appeal therefrom contrary to Section 23.1 of COA Circular No. 2009-006.

We request that the recommended remedial measures be immediately implemented and we will appreciate being informed of the actions taken thereon by submitting within 60 days from receipt hereof, the duly accomplished Agency Action Plan and Status of Implementation form herein attached.

We acknowledge the assistance and support extended to the audit team by the officials and staff of the agency.

Very truly yours,


Atty. EDÉN D. TINGSON - RAFANAN
Regional Director 



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THE BOARD OF TRUSTEES

Mountain Province State Polytechnic College
Bontoc, Mountain Province

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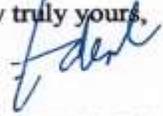
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