

Reference	Audit		Status/ Action Taken
	Observations	Recommendations	
			Report on time on February 17, 2025.
			Reiterated with modifications in Observation No. 5, Part II of this Report.
CY 2022 AAR, Observation No.2	The employer's share of Restitute the over <i>Pagtutulungan sa remittances totaling</i> <i>Kinabukasan: Ikaw, P313,171 from CYs 2009</i> <i>Bangko, Industriya at to 2022, in case the</i> <i>Gobyerno (Pag-IBIG) request is not granted by</i> contribution was not Pag-IBIG Fund. calculated based on the required two per cent of the maximum monthly compensation limit of P5,000, as provided for under Section 1, Rule VI of the Implementing Rules and Regulations (IRR) of RA No. 9679, resulting in over remittance totaling P313,171 for the CYs 2009 to 2022.		Not implemented The balance of the over-remittance of Pag-IBIG contributions stands at P173,084 as at December 31, 2024. It is periodically deducted from the employees' payroll until the said excess contributions are fully refunded. Demand Letters have been sent to former employees.
CY 2022 AAR, Observation No.3	The Chief Executive Officer and Appointive Directors of the PDGCC did not pass through the process of review and nomination of the GCG and approval of appointment by the President of the Philippines, contrary to Sections 15 and 16 of Chapter IV, RA No. 10149, resulting in the Corporation's inability to exercise check and balance.	a. Submit a list of All nominations for the recommendations chief executive officer are not and appointive implemented. directors of the PDGCC to the GCG in accordance with the PDGCC sought provisions of RA No. the opinion of 10149; and GCG on its unique situation. The b. Bring to the attention GCG opined that of the PDGCC BOD the PDGCC must the amendment of the adhere to the PDGCC's By-Laws application of the effecting the selection and provisions of Section nomination 15, Chapter IV of RA process for the No. 10149. directors of a	

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			GOCC. The Board resolved to arrange a meeting with the GCG by sending a formal letter request.
			During the Performance Target Conference (PTC) for the 2024 Performance Scorecard on March 15, 2024, PDGCC raised the concern to the GCG Commissioners. In response, the Commissioners assured that they would schedule a meeting with the PDGCC Board to discuss the matter.
CY 2022 AAR, Observation No.4	A net total area of 64.34 square meters was not included in the computation of assessment dues for the area occupied by the BTr and Office of the President of the Philippines (OP) from CYs 2020 to 2022, contrary to Section 4 (a) and (b), Part II of the Master Deed with Declaration of Restrictions (MDDR), and Section 1, Article V of the Amended By-Laws of the PDGCC, due to miscalculation. Hence, the unit owners are not contributing to the maintenance and	<p>a. Determine the covering period of the over/underbilling and recompute the amount to be billed to each unit owner based on the correct areas they own over the years;</p> <p>b. Issue a Statement of Account (SOA) to BTr, COMELEC and LBP for the over/underbilled assessment dues for the current and prior years;</p> <p>c. Recognize in the books the over and underbilled assessment dues in</p>	<p>Implemented</p> <p>Not implemented</p> <p>Not implemented</p>
			Management will issue final billing statements to the concerned tenants.
			Management will record the over

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	operating expenses based on their proprietary interests.	prior years;	and underbilled assessment dues accordingly in the books.
		d. Collect the assessment dues from LBP on the underbilled portion for the current and prior years;	Not implemented Management will issue final billing statement.
		e. Refund to BTr and COMELEC the overbilled portion of the assessment dues for the current and prior years; and	Not implemented In CY 2025, PDGCC will deduct the overbilled portion from COMELEC's current billing and charge the agency that was underbilled.
		f. Review the legality of the resolution which indirectly exempts LBP from the settlement of additional billings for CY 2022 and prior years due to the correction in measurement of the area being leased.	Not implemented PDGCC will coordinate with the OP regarding the discrepancy in the billing, as it is the owner of the area occupied by LBP.
CY 2022 AAR, Observation No.5	Telephone expenses totaling P348,993 were not fully supported with the documentary requirements required in Item 6.2 of COA Circular No. 2012-001 dated June 14, 2012, rendering the validity, propriety and legality of the transactions doubtful.	a. Immediately submit to the Audit Team the lacking documentary requirements to support the DVs on the payment of telephone expenses amounting to P348,993 in CY 2022 as prescribed in COA Circular No. 2012-001;	Not implemented The submitted documents were incomplete.
		b. Ensure henceforth that the DVs are supported with complete	Not implemented

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		documentation; and	
		c. Exercise close supervision over the review of supporting documents attached to the DVs and liquidation reports.	Not implemented
CY 2022 AAR, Observation No.6	The PDGCC allowed a lessee from the private sector to access, occupy, and install telecommunication equipment and mobile genset on their premises despite the non-execution of a valid lease contract with the lessee, contrary to the relevant provisions of COA Circular No. 88-282A, hence, the rights and obligations of both parties cannot be ascertained, resulting in the deferred collection of revenues amounting to P560,000 and non-collection of advance lease payments and security deposit aggregating P120,000.	<p>a. Expedite the execution of a lease contract with the lessee;</p> <p>b. Bill and collect from the lessee any chargeable interest and penalties due for the delayed payments; and</p> <p>c. Submit the same to the Audit Team with all the documents forming part thereof within five working days from the execution, for auditorial and legal review.</p>	<p>All recommendations are not implemented.</p> <p>A series of meetings were conducted between PDGCC and the lessee to finalize the MOA between the parties. The lessee has continuously requested documents from PDGCC, which PDGCC has successfully submitted.</p> <p>As of December 31, 2024, the lessee informed PDGCC that the final draft of the MOA is with their legal team. Once approved, it will be sent to PDGCC for signing.</p>
CY 2020 AAR, Observation No. 3	The Corporation is charging the unit owners/occupants on a monthly basis the amount of P60 per square unit area occupied based on	a. Based on the plan, prepare a budget of monthly expenses of the Corporation for maintenance and operating expenses; and	<p>All recommendations are not implemented.</p> <p>On October 16, 2024, during the</p>

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	Board Resolution No. 01, series of 2018, contrary to Section 1, Article V, Amended By-Laws of the Corporation resulting in Management's limited action on repair, rehabilitation, among others, on the aging building.	b. Bill the unit owners in an amount that will raise the common fund to a balance equivalent to at least three months estimate of expenses of the Corporation on maintenance and operating expenses as provided in Section 1, Article V, Amended Bylaws of the Corporation.	Board meeting, the PDGCC Admin Committee and staff presented to the Board of Directors the proposed amendment to Section 1, Article V of the Amended By-Laws of PDGCC.  The Board of Directors instructed the Admin Committee and staff to review the entire By-Laws and make the necessary amendments to align them with PDGCC's actual operations