	Finance Services Operations Manual
	Section 1: Introduction
	Title: Overview, Scope, Objectives, Legal Bases, Approval and Authorization, Distribution, Revisions/Changes and Feedback Mechanism of the Manual

1. Overview

Davao del Norte State College aspires to become a university in the near future, delivering quality higher education that is on a par with other countries in the ASEAN Region. To continue in this direction, it is vital that the College’s quality management systems are streamlined and automated, including its financial processes.

Although there are manuals and issuances from regulatory bodies, like the Commission on Audit (COA) and the Department of Budget and Management (DBM), a consolidated document which is tailored fit to the nature of the College’s operations is lacking. Thus, this Operations Manual is created.

This Manual is an embodiment of the College’s quality policy and a response to the following specific goals and strategic outcomes of the College under the Administration and Resource Management based on its 2020-2024 Strategic Plan:

Specific Goal

High accuracy, compliance with applicable standards, and high customer satisfaction


Strategic Outcomes

- 1. Standardized and automated quality management systems based on quality assurance system standards;
- 2. Improved efficiency and effectiveness of key officials, faculty and staff;
- 3. Modernized and safe physical environment, and mobilized transportation services;
- 4. Upgraded communication and records management system; and
- 5. Increased profitability from income generating projects.

1.1. Scope

The Manual is patterned around the four (4) phases of the Budget Cycle and the functions of the Offices under the Finance Services. It includes the following business processes:

- 1. Collection of Revenue and Other Receipts
- 2. Budget Preparation
 - a. Preparation of Budget Proposal

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- b. Preparation of Projected Receipts and Expenditure
- 3. Budget Authorization
- 4. Budget Execution
 - a. Budget Requests and Obligation
 - b. Disbursement thru Checks, ADA and TRA
 - c. Cash Advance and Liquidation
 - d. Petty cash Fund
- 5. Budget Accountability
 - a. Budget and Financial Reporting
 - b. Liquidation of Externally Funded Projects


1.2. Objectives

- 1. To provide students, employees and other clients/stakeholders procedural guidelines in conducting financial transactions in the College.
- 2. To guide finance personnel in the discharge of their functions especially the newly hired employees.
- 3. To assign appropriate accountable offices quality functions.

1.3. Legal Bases

The Operations Manual is primarily anchored on the following laws, rules and regulations:

- 1. Republic Act No. 7879, An act converting the Davao Regional Institute of Fisheries Technology in the Municipality of Panabo, Province of Davao, into a state college, to be known as the Davao del Norte State College, and appropriating funds thereof.
- 2. Republic Act No. 8292, An act providing for the uniform composition and powers of the Governing Boards, the manner of appointment and terms of reference of the President of Chartered State Universities and Colleges, and for other purposes.
- 3. Republic Act No. 9184, Government Procurement Reform Act and its Implementing Rules and Regulations.
- 4. Executive Order No. 292, s. 1987, Administrative Code of 1987.
- 5. Government Accounting Manual
- 6. CHED Memorandum Order No. 20, series of 2011, Policies and Guidelines for the use of income, Special Trust Fund and Programs of Receipts and Expenditures of the State Universities and Colleges.
- 7. COA Circular 2012-001, Prescribing the Revised Guidelines and Documentary Requirements for Common Government Transactions.

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8. DNSC BOT Resolution No. 82, s. 2020, A Resolution Approving the Guidelines on the Preparation of Financial Reports for Davao Region State Universities and Colleges (SUCs).

The full list of legal bases is compiled in a google drive folder as part of the time and cost effectivity measures and in support to digitization of the College. List and link are stipulated in Annex 6.6.

1.4. Approval and Authorization

This Finance Services Operations Manual (FSOM) is authorized for use in Davao del Norte State College upon the approval of its Board of Trustees. This is prepared by the Director for Finance Services (DFS), endorsed by the Vice President for Finance and Administration (VPAF), Administrative Council and BOT Finance Committee (BFC).

The purpose of the Manual is to define the College’s policies and procedures on budgeting, accounting, cashiering and compliance to good governance. It is made pursuant to the customer-first approach with the aim to provide quality excellent and timely services responsive to needs of our Clients and Stakeholders.


Compliance to the Manual is mandatory. This shall serve as a guide to the performance of the day-to-day operations and the continuous improvement of products and services. It is intended for Administrative and Academic use and serves DNSC’s Top Management, Faculty and Staff, COA Auditors and quality assurance certification bodies.

1.5. Distribution

This Manual is exclusive for use by DNSC. This shall be issued by the DFS to the College Management Team, Finance Services Personnel and Fund Managers. Furnishing of copies other than aforementioned shall be approved by the College President upon the recommendation of the DFS.

1.6. Revisions/Changes

The FSOM shall be revisited annually and revised whenever necessary to reflect the current financial management system of the College. The Director for Finance Services shall be the sole issuer of the approved revisions of the Manual.

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1.7. Feedback

Any comments, suggestions, or questions regarding the FSOM may be forwarded to the Director for Finance Services.



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	Finance Services Operations Manual
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	Title: Profile, Mandate, Core Values, Vision, Mission, Goals and Quality Policy Statement of the College

2. Agency Profile

Davao del Norte State College is a public college in New Visayas, Panabo City, Philippines which provides instruction and progressive leadership in education, engineering, arts, sciences, fisheries, and other fields. It was established on February 14, 1995 as Davao del Norte State College from Davao del Norte School of Fisheries on April 29, 1969. Its incumbent President is Dr. Joy M. Sorrosa beginning March 2019. DNSC has two (2) extension campuses namely, Datu Jose A. Libayao and DNSC Carmen Annex.

2.1. Mandate

Section 2 of R.A 7879. The College shall primarily provide higher professional, technical, and special instructions for special purposes and promote research and extension services, advanced studies and progressive leadership in education, engineering, arts, sciences, fisheries, and other fields as may be relevant.

2.2. Core Values

The College commits to pursue our vision, accomplish our mission and achieve our goals through our core values of:

Excellence

Integrity

Innovation


Stewardship

Love of God and Country

2.3. Vision

A premiere Higher Institution in Agri-Fisheries and Socio-cultural Development in the ASEAN Region

Davao del Norte State College envisions being one of the pillars of higher education system by becoming a premier higher institution that provides agri-fisheries and socio-cultural development in the ASEAN region.

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To attain this, the College strives to become a University with recognized center of development and excellence; to be a beacon of knowledge; to lead innovation on uplifting lives of every Filipino family; and to be a strong advocate of nature preservation especially the agriculture and aquatic resources of the country and beyond.

2.4. Mission

DNSC strives to produce competent human resource, generate and utilize knowledge and technology, uphold good governance and quality management system for sustainable resources and resilient communities.


The College strives to achieve greater goals into becoming a University that upholds high standards in education, research, extension and production. Particularly, the College commits to:

- 1. deliver in the areas of instruction, research, extension and production, and good governance;
- 2. influence development through research, extension and production in collaboration with stakeholders; and
- 3. uphold good governance and quality management system through optimum participation, accountability, transparency and adherence to the rule of law.

2.5. General Goals

Align with its vision and mission; the College aims to achieve the following:

- 1. Provide equitable access to quality and relevant programs that promotes inclusive development;
- 2. Undertake socially relevant, environmentally friendly and economically beneficial extension and production activities anchored on robust researches;
- 3. Foster dynamic partnerships with the local, national, international community; and
- 4. Ensure high accuracy, compliance with applicable standards, and high customer satisfaction.


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2.6. Quality Policy Statement

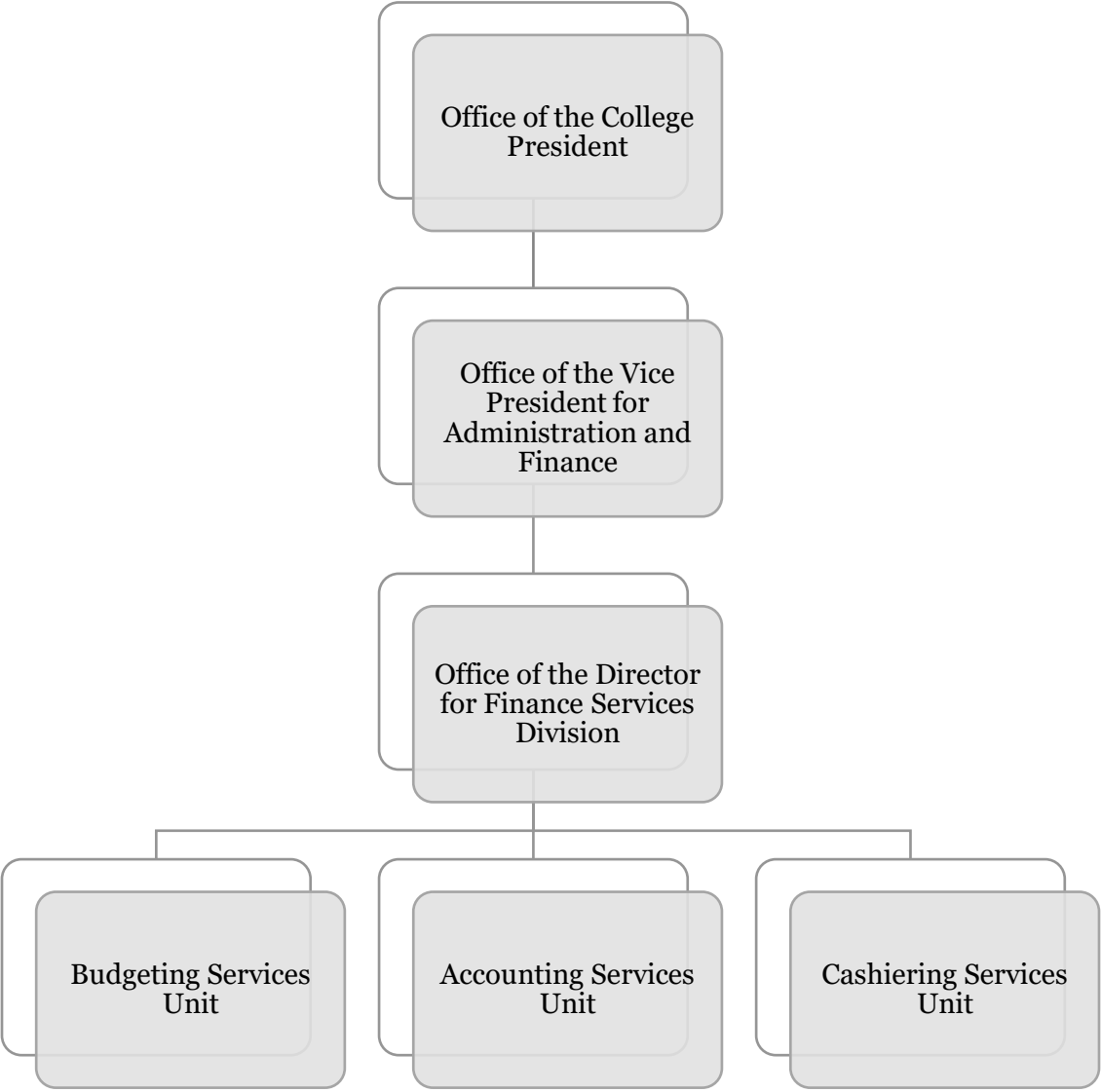
We, at Davao del Norte State College (DNSC), commit to provide quality, excellent, and timely services responsive to the needs of our Clients and Stakeholders following the principles of good governance, and in adherence to our core values.

We likewise commit to regularly assess the delivery of our services, manage risks, and maximize opportunities to guarantee the highest professional and ethical standards as we continually improve our Quality Management System.

We, the Top Management, further commit to review the Quality Policy for its continuing suitability and ensure that this is communicated and understood within the organization.

	Finance Services Operations Manual
	Section 3: Organization of the Finance Services Unit
	Title: Organizational Structure and Duties and Functions of the Unit


3.1. Organizational Structure



3.2. Duties and Functions

Office of the Director for Finance Services

1. Plans, supervises, coordinates, and evaluates performance of all finance sections and units in the College;
2. Recommends improvement and modification of existing policies and procedures on financial and budgeting;
3. Evaluates the financial aspects of the submitted proposals;

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4. Supervises the collection of income and proceeds from income generating projects;
5. Reviews disbursements of funds subject to COA rules and regulations;
6. Initiates internal check and preliminary audit;
7. Supervises the maintenance of financial records necessary for effective control of the current operating budget;
8. Exercises general supervision, direction, monitoring and evaluation, and coordination of the operations and activities of the following administrative units:
 - a. Accounting Services Unit (ASU);
 - b. Budgeting Services Unit (BSU);
 - c. Cashiering Services Unit (CSU); and
9. Performs such other functions as may be delegated by the VP for Administration and Finance.

Accounting Services Unit

1. Implements accounting rules and regulations;
2. Provides management with information on financial resources;
3. Supervises the preparation of payrolls, vouchers, bank reconciliations and analysis of accounts;
4. Takes charge of keeping records of funds and property showing receipts and disbursements and the status of government appropriations, allotments, and savings;
5. Accounts and evaluates the income, operations and activities of the College;
6. Implements measures for the proper control of receipts, disposition and utilization of funds;
7. Reviews journalizing and classification of accounts;
8. Prepares and submits trial balances and other required financial and accountability reports to management and other government departments and agencies authorized to receive such reports;
9. Reviews prior years' claims and certify that these are carried in the book of accounts payable;
10. Coordinates with Commission on Audit regarding financial transactions of the College; and
11. Performs such other functions as may be delegated by the FSD Director.

Budgeting Services Unit


1. Plans and participates in the preparation and consolidation of the budget of the College in coordination with relevant offices and academic units;
2. Monitors the distribution, allocation and utilization of funds;

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3. Coordinates with the Department of Budget and Management and other agencies on the allocation and release of funds of the College;
4. Prepares and submits financial and accountability reports in coordination with relevant offices and academic units and partner agencies;
5. Analyzes the trends of appropriations and expenditures; and
6. Performs such other functions as may be delegated by the FSD Director.

Cashiering Services Unit

1. Supervises and accounts for receipts, custody, and disbursement of funds;
2. Keeps financial records of cash transactions for accounting purposes;
3. Signs and issues cheques for payment of obligations;
4. Supervises the payment of salaries, wages and other disbursements;
5. Ensures that all cash, cash items and accountable forms are in safe custody;
6. Keeps an up-to-date cashbook and records of all accountable forms;
7. Coordinates the preparation of report of collections, deposits and accountable forms to government agencies and to other offices;
8. Deposits money to authorized depository banks;
9. Handles matters on bonding of College accountable officers; and
10. Performs such other functions as may be delegated by the FSD Director.

	Finance Services Operations Manual
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	Title: Collection of Revenue and Other Receipts

4.1 Collection of Revenue and Other Receipts

4.1.1. Objective

4.1.1.1. To identify the process on how to collect and deposit revenue and other receipts.


4.1.2. Scope

4.1.2.1. This defines the process of collecting the different types of revenue of the College in various modalities, issuance of corresponding Official Receipts and deposit to the Authorized Government Depository Bank (AGDB).

4.1.3. Policy Statements

4.1.3.1. Accrual of Revenue to the General Fund. Unless otherwise specifically provided by law, all revenue (income) accruing to the departments, offices and agencies by virtue of the provisions of existing laws, orders and regulations shall be deposited in the NT or in the duly authorized depository of the Government and shall accrue to the General Fund of the Government: Provided, that amounts received in trust and from business-type activities of government may be separately recorded and disbursed in accordance with such rules and regulations as may be determined by the Permanent Committee. (Sec. 44, Chapter V, Book VI, E.O. No. 292)

4.1.3.2. Special, Fiduciary and Trust Funds. Receipts shall be recorded as revenue of Special, Fiduciary or Trust Funds (TF) or Funds other than the GF, only when authorized by law and following such rules and regulations as may be issued by the Permanent Committee consisting of the Secretary of Finance as Chairman, and the Secretary of the Budget and the Chairman, Commission on Audit, as members. The same Committee shall likewise monitor and evaluate the activities and balances of all Funds of the NG other than the GF and may recommend for the consideration and approval of the President, the reversion to the GF of such amounts as are: (1) no longer necessary for the attainment of the purposes for which said Funds were established, (2) needed by the GF in times of emergency, or (3) violative of the rules and regulations adopted by the Committee: provided, that the conditions originally agreed upon at the time the funds were received shall be observed in case of gifts or donations or other payments made by private parties for specific purposes. (Sec. 45, Chapter V, Book VI, EO 292)

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4.1.3.2.1. Section 4(d) of Republic Act (R.A.) No. 8292, the Higher Education Modernization Act of 1997, SUCs are authorized to deposit in any AGDB and treat as Special Trust Funds (STF), income from tuition fees and other necessary school charges, such as but not limited to; matriculation fees, graduation fees, and laboratory fees.

4.1.3.2.2. Letter of Instructions Nos. 872 and 1026 authorized SUCs to retain as Revolving Fund their income from food production and other operations deposited in authorized government depository bank (AGDB).

4.1.3.3. Issuance of Official Receipt. No payment of any nature shall be received by a collecting officer without immediately issuing an official receipt in acknowledgement thereof. The receipt may be in the form of postage, internal revenue or documentary stamps and the like, officially numbered receipts, subject to proper custody, accountability, and audit. (Sec. 68(1), P.D. No. 1445)


4.1.3.3.1. At no instance shall temporary receipts be issued to acknowledge the receipt of public funds. (Sec. 72, GAAM Volume I)

4.1.3.3.2. Pre-numbered ORs shall be issued in strict numerical sequence. All copies of each receipt shall be exact copies or carbon reproduction in all respects of the original. (Sec. 73, GAAM Volume I)

4.1.3.4. Sources of Revenue and Other Receipts. The College has three sources of funds, to wit:

4.1.3.4.1. **Regular Agency Funds (101 or GAA).** This fund pertains to the subsidy from the National Government as reflected in the annual General Appropriation Act (GAA) for expenses authorized by the Congress. This shall also include Continuing Appropriations from the previous year’s unobligated allotment and Automatic Appropriations for expenses not requiring periodic legislative action like the Retirement and Life Insurance Premiums of government personnel.

4.1.3.4.2. **Internally Generated Income (164 & 161).** This represents collections that are authorized by the governing body to be used directly for the operation of the College or other specific purposes. These include but are not limited to receipts from tuition and matriculation fees and other internally generated receipts. All receipts derived from Income

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Generating Projects and other business-type activities which are self-liquidating are also included hereunder.

4.1.3.4.3. **Trust Receipts.** Receipts transferred to the College as trustee, agent, or administrator for the fulfillment of a particular obligation. Examples of which are fund transfers for R&D program, project or activity and scholarship grants.

4.1.3.5. Modes of Collection. Income of the College can be collected thru the following methods:

4.1.3.5.1. **Through the Collecting Officer.** Clients may physically go to the Cashier’s Office to pay dues after they have secured Order of Payments. Order of payments may come from the Office they availed the services from such as registrar, guidance, assessment, dormitory, hostel, etc.


4.1.3.5.2. **Through the Landbank Link.biz Portal.** Landbank Link.biz Portal, an e-payment facility, allows clients to pay via the Internet using their debit/credit cards, and online wallets or Bayad Centers which are more accessible to them.

4.1.3.5.3. **Through direct deposit to the Landbank of the Philippines.** This mode of collection is only applicable for Trust Receipts. External funding agencies like CHED and DOST may deposit directly in the College’s bank account.

4.1.3.6. Deposit of Collections. All collections shall be deposited to the authorized government depository bank of the College which is the Landbank of the Philippines. Collections in the morning shall be immediately deposited in the afternoon whereas the collections in the afternoon shall be deposited at the earliest possible hour the following day. The Head of the Cashiering Unit is primarily responsible to deposit the collections.

4.1.3.7. Collection Strategies of Tuition and Other School Fees (TOSF). The collection strategy is set forth to avoid scarcity of cash which shall be used to disburse accounts payable of the college most especially its mandatory expenses.

4.1.3.7.1. Collection from the TOSF of undergraduate students are billed to the Commission on Higher Education to be charged against the Free Higher Education under the Republic Act 10931 otherwise known as the Universal Access to Quality Tertiary Education (UAQTE), and as per

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CHED-UniFAST Guidelines for Free HE. Billings shall be submitted within two (2) months from the last day of enrollment.

4.1.3.7.2. Collections from graduate students are ensured by requiring a down payment of 10% of the total assessment or P2,000.00, whichever is lower, upon enrollment. The remaining balance needs to be paid within the semester. Enrollment to subsequent semesters shall not be allowed if the student’s account of the previous semester is not settled in full.

4.1.4. Procedures

4.1.4.1. Collection through the Collecting Officer


Area of Responsibility	Activity
Collection	
Student/Client	<ol style="list-style-type: none"> 1. Secures Order of Payment (OP) from the appropriate Office/Institute where service or goods are from. 2. Gets priority number if there is a queue. If none, ring the bell at the window to alert the personnel. 3. Hands in OP, Identification Card (ID) and cash/check. <p><i>Note 1 -Order of payment may be in the form of Certificate of Registration or Request Slip from the Assessment Office or Request for Credentials Form from the Registrar and Statement of Account Guidance, Dormitory, Hostel and other Offices who collects Service Fees Income Generating Projects.</i></p>
Collecting Officer	<ol style="list-style-type: none"> 4. Receives cash/check from payor representing collection based on the OP. 5. Issues Official Receipt (OR) to acknowledge receipt of cash/check. Return excess payment, if there is. <p><i>Note 2 - The OR shall be prepared in three copies and distributed as follows: Original – Payor Copy 2 – To be attached to the RCD/CRReg Copy 3 – Cash/Treasury Unit file</i></p>
Student/Client	<ol style="list-style-type: none"> 6. Receives OR and excess payment, if there is. 7. Proceeds to the appropriate Office/Institute to get the service or goods paid for or the next step of the enrollment process.

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Deposit	
Collecting Officer	<p>8. Prepares Deposit Slips (DP) in three copies.</p> <p><i>Note 3 – The DSs shall be distributed as follows:</i> <i>Original – AGDB</i> <i>Copy 2 – To be attached to RCD/CRRec</i> <i>Copy 3 – Cash/Treasury Unit file.</i></p>
Head, Cashiering Unit/Authorized Representative	<p>9. Deposits collections to the AGDB.</p> <p><i>Note 4 – Refer to 4.1.3.6 on the policy of deposit</i></p>

4.1.4.2. Collection through the LBP Link.biz Portal

Area of Responsibility	Activity
Student/Client	<ol style="list-style-type: none"> 1. Secures Order of Payment (OP) from the appropriate Office/Institute where service or goods are from. 2. Accesses the Landbank Link.biz Portal thru this link, https://www.lbpeservices.com/egps/portal/index.jsp 3. Clicks the PAY NOW button on the homepage. 4. Enters Davao del Norte State College as the merchant from the list and press the continue button. 5. Chooses the type of transaction and press the continue button. <p><i>Note 1 – Refer to Annex 6.1 for the List of Transactions and Fees</i></p> <ol style="list-style-type: none"> 6. Fill-out the needed information for your payment details. Review before pressing continue. <p><i>Note 2 – Refer to Annex 6.1 for the Payment Methods</i></p> <ol style="list-style-type: none"> 7. Wait for Debit Confirmation Slip of Landbank Link.biz Portal and/or email confirmation for every successful transaction. 8. Email the confirmation and/or proof of payment @ finance@dnsc.edu.ph or to the Office/Institute the goods or service was availed from.
Office/Institute (if applicable)	<ol style="list-style-type: none"> 9. Prints email confirmation and/or proof of payment and submits to the Finance Director/Authorized Representative.

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Finance Director/Authorized Representative	10. Receives and prints email confirmation and/or proof of payment. 11. Verifies payment in the Link.biz Portal Merchant Payment Inquiry and print out report. 12. Endorses the email confirmation and reports to the Cashier’s Office for the issuance of OR.
Collecting Officer	13. Receives the printout and report. 14. Issues OR. 15. Endorses the OR to the Office/Institute where the goods or services are availed from.

4.1.4.3. Collection through direct deposit at LBP

Area of Responsibility	Activity
Bookkeeper/Project Leader	1. Informs the Accountant of the deposit and furnishes snapshot or copy of LDDAP, whichever is applicable. <i>Note 1 – Bookkeeper shall know from the snapshot while the Project Leader from the transmission of validated LDDAP from the funding agency.</i>
Finance Director	2. Verifies the fund transfer thru the snapshot or LDDAP and endorses the same to the Cashier for the issuance of OR.
Collecting Officer	3. Receives the snapshot or LDDAP. 4. Issues OR. 5. Endorses the OR to the Project Leader for mailing to the funding agency.

4.1.5. List of Forms and Reports

- 4.1.5.1.** Official Receipt (Accountable Form 51-C)
- 4.1.5.2.** Deposit Slip (c/o ADGB or Landbank of the Philippines)

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	Title: Preparation of Budget Proposal

4.2 Preparation of Budget Proposal

4.2.1 Objective


- 4.2.4.1.** To prepare the Budget Proposal for the Regular Agency Fund

4.2.2 Scope

- 4.2.2.1** This procedure defines the process of preparing the budget proposal for the Regular Agency Fund (Fund 101).

4.2.3 Policy Statements

- 4.2.3.1 Adoption of Administrative Reforms for Greater Transparency and Reliability.** The basis of the preparation of the budget proposal for Regular Agency Fund/Appropriation is the National Budget Call released by DBM through a National Budget Memorandum in January of every year prior to the implementation/execution year. Programs, Projects and Activities must be in consonance to the socio-economic agenda of the sitting president provided in the Philippine Development Plan and the Davao Region Development Plan considering among others the following systems and practices:
 - 4.2.5.1.11.1 Two-Tier Budgeting Approach
 - 4.2.5.1.11.1 Unified Accounts Code Structure (UACS)
 - 4.2.5.1.11.1 Programs-based budgeting structure through the Program Expenditure Classification (PREXC) approach
 - 4.2.5.1.11.1 Disaggregation of lump-sum amounts within the agency specific budgets to reflect the program/activity/project (P/A/P), implementing agencies and/or regional or local levels
 - 4.2.5.1.11.1 Cash Budgeting System (CBS) pursuant to EO No. 91, s. 2019 which emphasizes funding of implementation-ready programs, activities, and projects which can be completed within the fiscal year, or until the allowable implementation period, as provided in the applicable general and special provisions of the GAA, if any.
 - 4.2.5.1.11.1 Prioritization in the proposal of the RDC-XI priority Programs, Projects, and Activities

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4.2.3.2 Preparation of Annual Investment Program (AIP) and Three-Year Rolling Infrastructure Program. Executive Order No. 27 series of 2017 directs all government agencies and instrumentalities to implement the Philippine Development Plan (PDP) and Public Investment Program (PIP). The National Economic and Development Authority (NEDA), being the oversight agency, spearheads the necessary activities for the formulation/preparation of development planning and investment programming reports such as PIP and the corresponding Regional Development Investment Program (RDIP). With this, government agencies, including SUCs, are required to prepare their Annual Investment Program (AIP) and Three-Year Rolling Infrastructure Program (TRIP). The programs, projects and activities (PPAs) included in the AIP and TRIP must be supportive to the attainment of the PDP, PIP and the RDIP.

4.2.3.3 Conduct of Regional Development Council (RDC)-XI Budget Review and Consultation. Section 14 of Article X of the 1987 Philippine Constitution requires the creation of Regional Development Councils (RDCs) and other similar bodies composed of local government officials, regional heads of departments and other government offices and representatives from non-governmental organizations within the regions. Moreover, Section 4(d) of EO 325 series of 1996 states that one of the functions of the RDC is to review and endorse to the national government the annual budgets of agency regional offices, state colleges and universities and special development authorities.

4.2.4 Procedures

4.2.4.1 Preparation and Approval of the Annual Investment Program (AIP) and Three-Year Rolling Infrastructure Program (TRIP)


Area of Responsibility	Activity
Preparation of Project Proposal	
Proponents/ End-users	1. Prepare project proposals (<i>including supporting documents such as indicative PPMP among others</i>) in accordance with the guidelines set forth in the memorandum issued annually by the Regional Development Council. Proposals must take into

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	<p>consideration the Davao Region Development Plan, the College Strategic Plan and the Land Use Development and Infrastructure Plan.</p> <p>2. Submit approved proposals to the Planning and Resource Management Office for consolidation.</p>
Preparation of AIP and TRIP	
Planning and Resource Management Director	<p>3. Consolidates the proposals and comes up with the Annual Investment Program (AIP) and Three-Year Rolling Infrastructure Program (TRIP).</p> <p>4. Conducts stakeholders’ consultation on the AIP and TRIP to solicit comments and suggestions.</p> <p>5. Presents the AIP and TRIP to the College Administrative Council for deliberation and endorsement.</p> <p>6. Submits the AIP, TRIP and other pertinent attachments to the College and Board Secretary.</p>
Approval of AIP and TRIP	
College President	7. Presents the AIP and TRIP to the Board’s Finance Committee (BFC) for deliberation and endorsement.
BFC Chairperson	8. Presents the AIP and TRIP to the Board of Trustees for deliberation and approval.
Board of Trustees	9. Deliberates and approves the AIP and TRIP.
Encoding of AIP in the Public Investment Program Online (PIPOL) System	
Planning and Resource Management Director	10. Encodes the AIP in the PIPOL System

4.2.4.2 Preparation and Approval of the Budget Proposal

Area of Responsibility	Activity
Preparation of the Budget Proposal	
Budget Officer	<p>1. Consolidates all the approved proposals to come up with a College-wide budget proposal using the prescribed format of the Board’s Finance Committee.</p> <p>2. Presents the budget proposal to the College Administrative Council for deliberation and endorsement.</p> <p>3. Submits the Budget Proposal and other pertinent attachments to the College and Board Secretary.</p>
Approval of the Budget Proposal	

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College President	4. Presents the budget proposal to the BFC for deliberation and endorsement.
BFC Chairperson	5. Presents the budget proposal to the Board of Trustees for deliberation and approval.
Board of Trustees	6. Deliberates and approves the budget proposal

4.2.4.3 Presentation of the Budget Proposal to the Regional Development Council (RDC)- XI

Area of Responsibility	Activity
Preparation of the Budget Proposal	
Budget Officer and Planning and Resource Management Director	1. Prepare the College-wide Budget Proposal using the forms issued by the Regional Development Council.
Endorsement of the Budget Proposal	
College President	2. Presents the budget proposal to the RDC-XI for deliberation and endorsement.
RDC-XI	3. Reviews, deliberates, and endorses the budget proposal


4.2.4.4 Submission of the Budget Proposal

Area of Responsibility	Activity
Encoding in the Online Submission of Budget Proposal (OSBP) Portal of DBM	
Budget Officer and Planning and Resource Management Director	1. Encode the budget proposal in the OSBP using the prescribed Budget Preparation (BP) Forms as stipulated in the National Budget Memorandum or the Budget Call. 2. Submit the accomplished Budget Preparation (BP) forms to the Finance Director level for review and to secure recommendation for approval.
Review of Budget Preparation Forms	
Finance Director	3. Reviews the BP Forms and recommends for approval of the College President.
Submission of the Budget Preparation Forms	
College President	4. Approves and submits the BP Forms.

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4.2.5 List of Forms

- 4.2.5.1 Budget Form 1: Summary of Budget Proposal for National Government Subsidy (Tiers 1 and 2)
- 4.2.5.2 Budget Form 1-A: Summary of Budget Proposal for National Government Subsidy (Consolidated)
- 4.2.5.3 Budget Form 1-B: Subsidy of Budget Proposal for National Government Subsidy, By Campus
- 4.2.5.4 Capital Outlay Proposals, By Campus
- 4.2.5.5 Summary of Physical Targets Supported by the Budget Proposal
- 4.2.5.6 Annual Investment Plan (AIP)
- 4.2.5.7 Three-Year Rolling Infrastructure Program (TRIP)
- 4.2.5.8 Indicative Project Procurement Management Plan (PPMP)
- 4.2.5.9 Indicative Annual Procurement Plan (APP)
- 4.2.5.10 Regional Development Council (RDC)-XI Forms
- 4.2.5.11 OSBP Forms:
 - 4.2.5.11.1 BP Form A: Program Budget Matrix
 - 4.2.5.11.2 BP Form B: Agency Performance Measures
 - 4.2.5.11.3 BP Form C: Summary of RDC Inputs and Recommendations on Agency New and Expanded Programs and Projects
 - 4.2.5.11.4 BP Form D: Report of CSO’s Inputs on Ongoing and New Spending Projects and Activities
 - 4.2.5.11.5 BP Form 100-B: Statement of Other Receipts/Expenditures (Off-Budgetary and Custodial Funds)
 - 4.2.5.11.6 BP Form 200: Comparison of Appropriations and Obligations
 - 4.2.5.11.7 BP Form 201: Summary of Obligations and Proposed Programs/Projects
 - 4.2.5.11.8 BP Form 201-A: Obligations for Personnel Services (PS)
 - 4.2.5.11.9 BP Form 201-B: Obligations for Maintenance and Other Operating Expenditure (MOOE)
 - 4.2.5.11.10 BP Form 201-D: Obligations for Capital Outlays (CO)
 - 4.2.5.11.11 BP Form 201-E: Summary of Outyear Requirements
 - 4.2.5.11.12 BP Form 201-F: Climate Change Expenditures
 - 4.2.5.11.13 BP Form 202: Proposal for New or Expanded Locally-Funded Projects
 - 4.2.5.11.14 BP Form 204: Staffing Summary of Non-Permanent Positions
 - 4.2.5.11.15 BP Form 205: List of Retirees
 - 4.2.5.11.16 BP Form 300: Proposed Provisions

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4.3 Preparation of Program of Receipts and Expenditure

4.3.1. Objective

4.3.1.1. To prepare the Program of Receipts and Expenditures (PRE) every fiscal year.

4.3.2. Scope

4.3.2.1. This shall lay down the step-by-step procedure in the preparation of PRE which shall serve as the basis of DNSC to incur obligation. The PRE relates to funding sources such as the Regular Agency Fund based on the National Expenditure Program and Internally Generated Income.

4.3.3. Policy Statements

4.3.3.1. Section 4 of P.D. No. 1445, the Government Auditing Code of the Philippines, provides that all financial transactions and operations of any government entity shall be governed by the following fundamental principles:


4.3.3.1.1. No money shall be paid out of any public treasury or depository except in pursuance of an appropriation law or other specific statutory authority.

4.3.3.1.2. Government funds or property shall be spent or used solely for public purposes.

4.3.3.1.3. Trust funds shall be available and may be spent only for the specific purpose for which the trust was created or the funds received.

4.3.3.2. Item d, Section 4 of R.A. No. 8292, Higher Education and Modernization Act of 1997, states that the governing boards shall fix the tuition fees and other necessary school charges, such as but not limited to matriculation fees, graduation fees and laboratory fees, as their respective boards may deem proper to impose after due consultations with the involved sectors.

Such fees and charges, including government subsidies and other income generated by the university or college, shall constitute special trust funds and shall be deposited in any authorized government depository bank, and

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all interests shall accrue therefrom shall part of the same fund for the use of the university or college: Provided, that income derived from university hospitals shall be exclusively earmarked for the operating expenses of the hospitals.

Any provision of existing laws, rules and regulations to the contrary notwithstanding, any income generated by the university or college from tuition fees and other charges, as well as from the operation of auxiliary services and land grants, shall be retained by the university or college, and may be disbursed by the Board of Regents/Trustees for instruction, research, extension, or other programs/projects of the university or college: Provided, That all fiduciary fees shall be disbursed for the specific purposes for which they are collected.


If, for reason of control, the university or college, shall not be able to pursue any project for which funds have been appropriated and, allocated under its approved program of expenditures, the Board of Regents/Trustees may authorize the use of said funds for any reasonable purpose which, in its discretion, may be necessary and urgent for the attainment of the objectives and goals of the universities or college;

4.3.3.3. Item e, Section 8 of R.A. No. 7879, the charter of Davao del Norte State College, provides that its governing boards shall fix tuition fees and other necessary school charges, such as, but not limited to, matriculations fees, graduation fees, and laboratory fees, as the Board may deem proper to impose;

Fees and charges, including government subsidies and other income generated by the College, shall constitute as special trust funds and shall be deposited in any authorized government depository bank, and all interest that shall accrue therefrom shall form part of the same funds for the use of the College.

The income generated by the College may at their discretion be disbursed for the professional growth and development, health, welfare, and other similar benefits of the faculty members and personnel, for extension and student welfare expenses so that the flexibility on use of income shall be focused on faculty, personnel improvement and student welfare activities, and for expenses necessary for the attainment of its purposes under this Act.

4.3.3.4. Fund Sources. DNSC sources its funds from the following:

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4.3.3.4.1. **Regular Agency Fund** – this fund is the subsidy from the National Government. For the purpose of creating the PRE, the amounts reflected in the National Expenditure Program are used. This shall be utilized for the purpose it was proposed for, to pay for salaries and compensation of employees, to augment the operative expenses of the College, to purchase machineries and equipment and to construct buildings and other structures which cannot be sufficiently provided by the Internally Generated Income.

4.3.3.4.2. **Internally Generated Income** - refers to income of the College arising from tuition fees, miscellaneous fees, service fees and other income. This is broken down into:

4.3.3.4.2.1. **Tuition Fee** – fees used in carrying out the trifocal function such as instruction, research and extension, and production, sas well as to defray its administrative cost. Article III of CHED Memorandum No. 20, s. 2011 shall be the basis in utilizing this fee.

4.3.3.4.2.2. **Fiduciary Fees** - funds to which collection of fees intended for a specific purpose shall accrue. This fund shall be solely used for the purpose for which it was authorized to be collected. This includes:

- 4.3.3.4.2.2.1. Athletic Fee
- 4.3.3.4.2.2.2. Computer Laboratory Fee
- 4.3.3.4.2.2.3. Cultural Fee
- 4.3.3.4.2.2.4. Development Fee-Accreditation
- 4.3.3.4.2.2.5. Development Fee-Energy
- 4.3.3.4.2.2.6. Development Fee-Graduation
- 4.3.3.4.2.2.7. Development Fee-Institute Membership Fee
- 4.3.3.4.2.2.8. Development Fee-Publication
- 4.3.3.4.2.2.9. Development Fee-Recognition
- 4.3.3.4.2.2.10. Development Fee-SSC
- 4.3.3.4.2.2.11. Development Fee-Test Papers
- 4.3.3.4.2.2.12. Guidance Fee
- 4.3.3.4.2.2.13. Handbook Fee
- 4.3.3.4.2.2.14. Laboratory Fee-General
- 4.3.3.4.2.2.15. Laboratory Fee-Science
- 4.3.3.4.2.2.16. Library Fee-Library
- 4.3.3.4.2.2.17. Library Fee-E-Library
- 4.3.3.4.2.2.18. Medical and Dental Fee
- 4.3.3.4.2.2.19. School ID

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- 4.3.3.4.2.2.20. LET Review
- 4.3.3.4.2.2.21. LEFT Review

4.3.3.4.2.3. **Self-Liquidating Units** – refer to a unit which offers auxiliary services, primarily to internal clients and, secondarily, to external clients of the College. They generate revenue to sustain their operations. DNSC has only one self-liquidating unit which is the Graduate School.


4.3.3.4.2.4. **Service Income** – refers to the collection received from persons or entities that availed the services of DNSC or administration officials. These fees are intended to augment administrative services and are usually de minimis in nature. This type of income comes from the services availed from the Registrar, Guidance and Assessment Office of the College.

4.3.3.4.2.5. **Income Generating Projects** – refer to activities which generate additional revenues for the specific purpose for which it was created. Its income shall be used for its continuous operations, if still feasible and practical, otherwise, the College may reprogram it for a new project or other purposes with the approval by the BOT. IGP’s may remit 25% of its income for administrative costs.


Sale of scrap and lost or damaged inventories and/or assets are under this fund source. The college may accumulate proceeds of the sale until it is sufficient to use for a new project and other purposes.

4.3.4. **Procedures**

Area of Responsibility	Activity
Finance Director	<ol style="list-style-type: none"> 1. The Finance Director shall project income for the fiscal year. 2. The projected income shall be endorsed to the different Fund Managers as stipulated in Annex 6.2 by issuing a Memorandum. The Budget Officer shall be copy furnished of all the Memoranda.
Fund Manager (FM)	<ol style="list-style-type: none"> 3. The Fund Managers (FM) shall conduct planning in their respective units, feasibility study and pre-cavass, if needed. If applicable, he or she shall distribute the endorsed income to different offices/units. If this is the case, the FM shall

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	furnish the Budget Officer a document on the matter.
Budget Officer (BO)	<p>4. The BO shall make a budget code in the Procurement Management System (PMS) in preparation for the creation of Project Procurement Management Plan (PPMPs) by the FMs.</p> <p>5. The BO shall endorse via Memorandum the budget codes to the respective FMs including the deadline of submission of PPMPs.</p>
Fund Manager	6. The FM shall prepare the PPMP thru the PMS. If done, click Submit button.
Immediate Head of Fund Manager (VP, Dean or Director)	7. The VP, Dean or Director shall check the PPMP and recommend approval. If recommended, the immediate heads shall click the Approved button. If not, the Pending feature shall be activated and the reason for such action shall be stated. The process will go back to Step 6.
Budget Officer	8. The BO shall check the PPMP and verify if it is in order. If yes, the BO shall click the Approved button. If not, the Pending feature shall be activated and the reason for such action shall be stated. The process will go back to Step 6.
Accountant	9. The College Accountant shall check the PPMP and verify as to Funds Availability. If PPMP is in order, the Accountant shall click the Approved button. If not, the Pending feature shall be activated and the reason for such action shall be stated. The process will go back to Step 6.
President/Authorized Representative	10. The SUC President shall check and approve the PPMP. If approved, the President shall click the Approved button. If not, the Pending feature shall be activated and the reason for such action shall be stated. The process will go back to Step 6
Budget Officer	<p>11. The BO shall check for approved PPMP. He or she shall endorse it to the BAC Secretariat for the preparation of Annual Procurement Plan (APP).</p> <p>12. The approved PPMPs shall be consolidated and processed into PRE. The BO shall endorse the PRE to the Finance Director.</p>
Finance Director	13. The Finance Director shall check the PRE and sign the “Certified Correct” portion. If signed, he or she

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	shall endorse to the PRE to the Vice President for Administration and Finance (VPAF). If not, the process will go back to Step 12.
Vice President for Administration and Finance (VPAF)	14. The VPAF shall check the PRE and sign the “Noted By” portion. If signed, he or she shall return it to the BO. If not, the process will go back to Step 12.
Budget Officer	15. The Budget receives the PRE and prepares for budget authorization.

4.3.5. List of Forms

- 4.3.5.1.** Project Procurement Management Plan (PPMP)
- 4.3.5.2.** Budget Form 1: Summary of Budget Proposal for National Government Subsidy (Tiers 1 and 2)
- 4.3.5.3.** Budget Form 1-A: Summary of Budget Proposal for National Government Subsidy (Consolidated)
- 4.3.5.4.** Budget Form 1-B: Subsidy of Budget Proposal for National Government Subsidy, By Campus
- 4.3.5.5.** Budget Form 2: Projections of Internally Generated Receipts Compared to Previous Year
- 4.3.5.6.** Budget Form 3: Program of Receipts and Expenditures for Internally Generated Receipts, By Campus
- 4.3.5.7.** Budget Form 4: Summary of Budget Proposals form All Fund Sources

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4.4 Budget Request and Obligation

4.4.1. Objective

4.4.1.1. To prescribe procedures in implementing the Program of Receipt and Expenditure of the College.

4.4.2. Scope

4.4.2.1. This includes issuance of authorization to incur obligation, request of certificate of availability of funds and obligation.

4.4.3. Policy Statements


4.4.3.1. Budget execution is the phase where the expenditure program of the College is implemented. It starts with the issuance of authority to incur obligation and ends with disbursement. However, the procedure of disbursement is separated from this. Budget execution shall be governed by the following policies:

4.4.3.1.1. Authority to incur obligation. Upon approval of the PRE, the Finance Director shall issue a memorandum authorizing incurrence of obligation. This Memorandum shall signal end-users or implementing units to initiate budgetary requests and procurement process to conduct their respective programs, projects and activities. The Planning and Resource Management Office shall release the approved Work and Financial Plan while the Procurement Services Unit shall turn on the Purchase Request functions in the Procurement Management System.

4.4.3.1.2. Budget Requests. Fund Managers shall request utilization of funds depending on the nature of expenditure as follows:

4.4.3.1.2.1.1. Personnel Services (PS) - refer to an expenditure category/expense class for the payment of salaries, wages and other compensation of permanent, temporary, contractual, and casual employees of the government. The Human Resource and Management Office handles requests of these expenses in coordination with various Offices/Units of the College following existing DBM and CSC rules and regulations.

4.4.3.1.2.1.2. Maintenance and Other Operating Expenses (MOOE) - Refer to expenditures to support the operations of government agencies such as expenses for supplies

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and materials; transportation and travel; utilities (water, power, etc.) and the repairs, etc. Generally, all expenses under this classification must undergo a process of procurement in accordance with RA No. 9184. A “No procurement, no PPMP” policy shall be strictly followed. In this case, a Purchase Request shall be made in the PMS. This shall be certified by the Chief Accountant as to funds availability and approved by the President. Once the PR is approved, the end-user shall print it in three (3) copies and submit to PSU together with an approved PPMP highlighting the specific expense.

Programs, projects and activities shall be supported by a design/proposal. The PPA design shall be signed by the end user and recommended for approval by the dean/VP who also certifies the necessity of the PPA. This shall be accompanied by an approved PPMP highlighting the specific expense to be charged from.


Requests to attend trainings and seminars, presentation and publication of thesis or dissertation and travels for official business or purposes shall be in a form of letter unless the College President/VPs has an endorsement letter already. The letter shall be recommended by the dean/VP and accompanied by an approved PPMP highlighting the specific expense to be charged from.

4.4.3.1.2.1.3. **Capital Outlay** – refers to appropriations for the purchase of goods and services, the benefits of which extend beyond the fiscal year, and which add to the assets of the Government, including investments in the capital stock of GOCCs and their subsidiaries. All expenditures under this item shall strictly undergo procurement in accordance with RA No. 9184.

Fund managers shall prepare a Purchase Request through the PMS. This shall be certified by the Chief Accountant as to funds availability and approved by the President. Once the PR is approved, end-user shall print it in three (3) copies and submit to PSU together with an approved PPMP highlighting the specific expense.

For infrastructure projects, Program of Works, Detailed Cost Estimates, Clearances and Plans shall be attached.

4.4.3.1.3. **Obligation.** No obligation shall be certified to accounts payable unless the obligation is founded on a valid claim that is properly

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supported by sufficient evidence, unless there is proper authority for its incurrence. (Book VI, Section 41 of EO 30 No. 292). The incurrence of obligations shall be made through the issuance of Obligation Request and Status (ORS) or Budget Utilization and Request Status (BURS). The Budget Office shall obligate on the following instances:

- 4.4.3.1.3.1. Salaries and other forms of compensation-approved payroll and contract.
- 4.4.3.1.3.2. Items that have undergone procurement-approved and conformed Purchase Order.
- 4.4.3.1.3.3. Travel-approved Itinerary of Travel and Travel Order
- 4.4.3.1.3.4. Attendance to seminars and trainings and paper presentation and publication of thesis, dissertation and research paper - approved letter.

4.4.4. Procedures

4.4.4.1. Obligation

Area of Responsibility	Activity
Budgeting Services Units	
Receiving/ Releasing Staff	1. Receives and checks completeness of supporting documents. If incomplete, returns the documents to the Requesting Unit. If complete, endorses the documents to Budget Staff. 2. Records in the logbook the date of receipt, payee, particulars, and amount and forwards it to the designated Staff for processing.
Budget Staff	3. Receives the documents. 4. Prepares ORS/BURS in 3 copies following the instructions of Appendix 11 & 14 of GAM. 5. Records in the logbook and assigns number based on the Control Logbook maintained for the purpose. If applicable writes ORS/BURS number in PO. Forwards the same to the Receiving/Releasing Staff for endorsement to the VP, Dean or Director of Requesting Unit.
Receiving/ Releasing Staff	6. Records in the logbook the date of submission to the VP, Dean or Director Copies 1-3 of ORS/BURS, and SDs.
Office of the VP, Dean or Director	

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Receiving/ Releasing Staff	7. Receives Copies 1-3 of ORS/BURS, and SDs and records receipt in the logbook. 8. Forwards the same to the VP, Dean or Director of Requesting Unit for Box A signature
VP, Dean/Director of Requesting Unit	9. Reviews ORS/BURS and SDs. If in order, he/she shall sign Section A of the ORS as to the necessity and legality of charges to the budget under his/her supervision, and validity, propriety and legality of SDs.
Receiving/ Releasing Staff	10. Records in the logbook the return to the Budget Office of Copies 1-3 of ORS/BURS, and SDs.
Budgeting Services Units	
Receiving/ Releasing Staff	11. Receives of Copies 1-3 of ORS/BURS, and SDs forwards the same to the Budget Officer.
Budget Officer	12. Reviews ORS/BURS and SDs. If in order, he/she shall certify to the availability of allotment, and such is duly obligated by signing in Section B of the ORS and forwards the same to the Budget Staff.
Budget Staff	13. Retains Copy 1 of the ORS/BURS for maintenance/monitoring of obligation status. 14. Forwards Copies 2-3 of ORS/BURS and SDs to the Receiving/Releasing Staff.
Receiving/ Releasing Staff	15. Records in the logbook the submission of Copies 2-3 of ORS/BURS and SDs to the Accounting Office.


4.4.5. List of Forms

- 4.4.5.1.

Purchase Request (PR)
- 4.4.5.2.

Obligation and Request Status (ORS)
- 4.4.5.3.

Budget Utilization and Request Status (BURS)

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4.5 Disbursement and Payment

4.5.1. Objective

4.5.1.1. To specify the process of payment of employees, suppliers and other debtors of the College.

4.5.2. Scope

4.5.2.1. This covers the process of disbursement thru check, Advice to Debit Account (ADA), both manual and thru eMDS, and Tax Remittance Advise (TRA) of all funding sources.

4.5.3. Policy Statements

4.5.3.1. **Notice of Cash Allocation.** The NCA shall be the authority of the College to pay operating expenses, purchases of supplies and materials, acquisition of PPE, accounts payable, and other authorized disbursements charged against the Regular Agency Fund (GAA) through the issue of MDS checks, ADA or other modes of disbursements.


No MDS check/ADA shall be issued without the covering NCA. Hence, the total MDS checks/ADA issued shall not exceed the total NCA received. To maximize the available NCAs, the Common Fund System policy shall be adopted whereby cash allocation balances under the Regular MDS Account may be used to cover payment of current year’s accounts payable after satisfying their regular operating requirements as reflected in their Monthly Cash Program.

4.5.3.2. **Request for Authority to Use Income.** The approved RAUC is the basis of the College to disburse expenditures charges against the Internally Generated Income.

4.5.3.3. **Basic Requirements for Disbursements and the Required Certifications.** Disbursements of government funds shall comply with the following basic requirements and certifications:

4.5.3.3.1. Availability of allotment/budget for obligation/utilization certified by the Budget Officer/Head of Budget Unit;

4.5.3.3.2. Obligations/Utilizations properly charged against available allotment/budget by the Chief Accountant/Head of Accounting Unit;

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4.5.3.3.3. Availability of funds certified by the Chief Accountant. The Head of the Accounting Unit shall certify the availability of funds before an Agency Head or his/her duly authorized representative enter into any contract that involves the expenditure of public funds based on the copy of budget release documents;

4.5.3.3.4. Availability of cash certified by the Chief Accountant. The Head of the Accounting Unit shall certify the availability of cash and completeness of the supporting documents in the disbursement voucher and payroll based on the Registry of Allotments and Notice of Cash Allocation/Registry of Allotment and Notice of Transfer of Allocation;


4.5.3.3.5. Legality of the transactions and conformity with existing rules and regulations. The requesting and approving officials shall ensure that the disbursements of government funds are legal and in conformity with applicable rules and regulations;

4.5.3.3.6. Submission of proper evidence to establish validity of the claim. The Head of the Requesting Unit shall certify on the necessity and legality of charges to allotments under his/her supervision as well as the validity, propriety and legality of supporting documents. All payments of government obligations and payables shall be covered by Disbursement Vouchers (DV)/Payrolls together with the original copy of the supporting documents which will serve as basis in the evaluation of authenticity and authority of the claim. It should be made cleare, however, that the submission of the supporting documents does not preclude reasonable questions on the funding, legality, regularity, necessity and/or economy of the expenditures or transactions. Annex 6.3 shows the legal bases and minimum documentary requirements of common transactions; and

4.5.3.3.7. Approval of the disbursement by the Head of Agency or by his duly authorized representative. Disbursement or disposition of government funds or property shall invariably bear the approval of the proper officials. The DVs/Payrolls shall be signed and approved by the head of the agencies or his/her duly authorized representatives.

4.5.3.4. **Modes of Disbursements.** The selection of the modes of disbursement is dependent on the existing regulations, nature of transaction, funding source and payee. The Disbursing Officer shall decide on the mode which shall be agreed upon by the Chief Accountant. The modes of disbursements applicable to the College are as follows:

4.5.3.4.1. **Disbursements by Check.** Checks shall be drawn only on duly approved Disbursement Voucher (DV) or Payroll. These shall be

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used for payment of regular expenses which cannot be conveniently nor practically paid using the ADA or not authorized to be paid using the Petty Cash Fund or advances for operating expenses. Checks issued shall be reported and recorded in the books of accounts whether released or unreleased to the respective payees. There are two types of checks being issued by government agencies as follows:

- 4.5.3.4.1.1.

Modified Disbursement System Checks

– are checks issued chargeable against the Regular Agency Fund (GAA).
- 4.5.3.4.1.2.

Commercial Checks

– are checks issued chargeable against DNSC’s Checking Account with its Government Depository Banks which is Landbank of the Philippines. These shall be covered by income/receipts from the Internally Generated Income and Trust Receipts.
- 4.5.3.4.2.

Disbursements through List of Due and Demandable Accounts Payable-Advice to Debit Account.

The use of LDDAP-ADA as a mode of settlement of accounts payable due the creditors/payees of all NGAs and their OUs was prescribed under DBM Circular Letter No. 2013-16 dated December 23, 2013 which implemented the ExMDPS, amended by DBM Circular Letter Nos. 2013-16A and 2013-16B dated February 6, 2014 and February 25, 2014, respectively. The following are excluded from the implementation of ExMDPS:
- 4.5.3.4.2.1.

Payment of Terminal Leave and Retirement Gratuity (TL/RG) benefits which is governed by Republic Act No. 10154 as implemented by CSC Resolution No.1300237 and Budget Circular No. 2013-1;
- 4.5.3.4.2.2.


Remittance of social insurance premium contributions to government corporations, such as GSIS, PHILHEALTH, and HDMF;
- 4.5.3.4.2.3.

Payment of Accounts Payable to utility companies, such as: supplier of petroleum, oil and lubricants, water, illumination and power services, telephone, internet and other communication services; and
- 4.5.3.4.2.4.

Other payables which cannot be conveniently nor practicably paid using the ADA.
- 4.5.3.4.3.

Disbursements through Tax Remittance Advice.

The Tax Remittance Advice (TRA) refers to a serially-numbered document
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prescribed by the DBM that shall be used in the remittance of withheld taxes on funds coming from DBM. With the inclusion of all NGAs among the taxpayers who are mandated to use the Electronic Filing and Payment System (eFPS) under the Bureau of Internal Revenue Regulations No. 1-2013 dated January 23, 2013, the TRA is accomplished on-line which is called the Electronic TRA (eTRA). The eTRA is certified correct by the Chief Accountant/Head of Accounting Division/Unit and approved by the Head of Agency/Authorized Official, and used to record the remittance of taxes withheld to the BIR. The same document shall be the basis for the BIR and the BTr to draw a JEV to record the tax collection and deposit in their respective books of accounts. The JEV shall be recorded in the GJ.

The eTRA shall be supported with the Summary of Taxes Withheld (STW) certified by the Chief Accountant. The STW is the document which summarizes the type and amount of taxes withheld. The Accounting Division/Unit shall maintain SL to monitor remittances of taxes withheld from individual employees, suppliers and contractors.

4.5.3.5. **Signatories of Disbursement Vouchers, Checks and LDDAP-ADA.** The following are the College’s authorized signatories:

Document	Certification	Authorized Signatory
Disbursement Voucher		
Box A	The necessity and legality of charges to allotments under his/her supervision as well as the validity, propriety and legality of supporting documents	VP, Dean or Director of Requesting Unit
Box B	Obligations/Utilizations properly charged against available allotment/budget, availability of funds availability of cash, completeness of the supporting documents and amount claimed proper	Chief Accountant
Box C	Approval	President
LDDAP		
	List of Due and Demandable A/Ps was prepared in accordance with existing budgeting, accounting and auditing rules and regulations.	Chief Accountant
	Full responsibility for the veracity and accuracy of the listed claims, and the authenticity of the supporting	President

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	documents as submitted by the claimants.	
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Type of Signatory	Name of Employee or Official	
Check and LDDAP		
Primary	President	Disbursing Officer
Alternate	Vice President	

4.5.3.6. **Rules in the release of checks.** The Disbursing Officer shall abide by the following requirement in releasing checks to payees of the College in each scenario:

4.5.3.6.1. **Individual payees:**

4.5.3.6.1.1. **Claimant is the payee.** He/she shall present original Identification Card (ID) for verification.


4.5.3.6.1.2. **Claimant is not the payee.** A photocopy of a Special Power of Attorney (SPA) of the claimant and ID of the payee and claimant are required. Original SPA and ID of the claimant must be presented for verification purposes only. In this case, claimant shall sign the Box D of the DV.

4.5.3.6.1.3. **Payee is deceased.** A photocopy of the Death Certificate (DC) of the payee, Marriage Contract (MC)/Birth Certificate (BC)/SPA of the claimant, whichever is applicable, and Identification Card of the payee and claimant are required. Original DC, MC/BC/SPA and ID of the claimant must be presented for verification purposes only. In this case, claimant shall sign the Box D of the DV.

4.5.3.6.1.4. **Payee requests to deposit check.** A payee may request to check to any banks within the locality only. The Authority to Deposit form shall be accomplished. Upon receipt, the payee shall fill up the Acknowledgement Receipt form. Bank charges shall be borne by the payee. In this instance, Box D of the DV may not be signed.

4.5.3.6.2. **Business entities**

4.5.3.6.2.1. **Payee is the proprietor.** He/she shall present original Identification Card (ID) for verification.

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4.5.3.6.2.2. **Claimant is not the proprietor/an employee of a corporation.** A photocopy of the Authorization Letter from the Proprietor or Corporation, or its equivalent, and ID of the claimant are required. Original Authorization Letter, or its equivalent, and ID of the claimant must be presented for verification purposes only. In this case, claimant shall sign the Box D of the DV.


4.5.3.6.2.3. **Payee requests to deposit check.** A payee may request to deposit check to any banks within the locality only. The Request to Deposit and Commitment Form (RDCF) shall be accomplished. The payee then issues an OR and mail it via courier service. Bank charges shall be borne by the payee. In this situation, Box D of the DV may not be signed.

4.5.3.6.3. **Mailing of checks to National Government Agencies.** Mailing of checks is not allowed except if requested by National Government Agencies as payee. In this case, the Cashier/Designated Staff shall prepare a transmittal letter and mail the check. An insurance may be paid in addition to the courier fee. Box D of the DV may not be signed.


4.5.5. Procedures

4.5.5.1 Disbursement by Check


Area of Responsibility	Activity
Preparation of Disbursement Voucher (DV)	
Accounting Services Units	
Receiving/ Releasing Staff	<div>1. Receives Copies 2-3 of Obligation Request and Status (ORS) or Budget Utilization Request and Status (BURS) and Supporting Documents (SD). Checks completeness of SDs based on the checklist. If incomplete, returns to the party concerned for compliance.</div> <div>If complete, stamps “Received” and indicates date of receipt and initials on the stamped “Received” portion of the ORS/BURS.</div> <div>2. Records in the logbook the date of receipt, ORS/BURS number, payee, particulars and</div>

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	amount and forwards it to the designated Staff for processing.
Designated Staff	3. Receives Copies 2-3 of ORS/BURS and SD. 4. Prepares the DV in four copies in accordance with the instructions on the preparation of the DV in accordance with Annex 32 of GAM to initiate the payment of claims. 5. Assigns DV number and records in the logbook the DV number and date, creditor/payee, particular and amount. 6. Return to Receiving/Releasing Staff.
Receiving/Releasing Staff	7. Records in the logbook the date of submission to the VP, Dean or Director Copies 1-4 of DV, Copies 2-3 of ORS and SDs.
Office of the VP, Dean or Director	
Receiving/Releasing Staff	8. Receives Copies 1-4 of DV, Copies 2-3 of ORS and SDs and records receipt in the logbook. 9. Forwards the same to the VP, Dean or Director of Requesting Unit for Box A signature
VP, Dean or Director	10. Check and signs “Box A” of DV.
Receiving/Releasing Staff	11. Records in the logbook the return to the Accounting Office of Copies 1-4 of DV, Copies 2-3 of ORS and SDs.
Accounting Services Units	
Receiving/Releasing Staff	12. Receives Copies 1-4 of DV, Copies 2-3 of ORS and SDs forwards the same to the Head of Accounting.
Chief Accountant	13. Checks DV and SDs. If in order, signs “Box B” of DV. If not, returns to concerned unit or personnel for compliance.
Receiving/Releasing Staff	14. Records in the logbook the submission of Copies 1-4 of DV, Copies 2-3 of ORS and SDs to the Office of the President.
Office of the President	
Receiving/Releasing Staff	15. Receives Copies 1-4 of DV, Copies 2-3 of ORS and SDs forwards the same to the Internal Auditor for initial.
Internal Auditor	16. Check DV and SDs. If in order, indicates initial signature beside the name of the President in “Box C” of DV. If not, returns to concerned unit or personnel for compliance.

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	17. Forwards the DV and SD to the President for signature.
President	18. Checks and signs “Box C” of DV.
Receiving/ Releasing Staff	19. Records in the logbook the submission of Copies 1-4 of DV, Copies 2-3 of ORS and SDs to the Cashiering Services Unit.
Preparation of Checks	
Cashiering Services Unit	
Receiving/ Releasing Staff	20.Receives Copies 1-3 of approved DV Copies 2-3 of ORS/BURS and SD. 21. Records in the logbook the date of receipt, DV number, payee, particulars and amount.
Designated Staff	22.Checks completeness of signatories on the DV. Prepares check in three copies. <i>Note 1 -If MDS check is issued, an Advice of Checks Issued and Cancelled (ACIC) shall be prepared in 6 copies. ACIC are signed by the Cashier in the “Certified Correct by” portion and SUC President in the “Approved by” portion. It shall be assumed in the succeeding activities that when MDS check is issued, an ACIC is prepared, reviewed and signed as well.</i> 23.Retrieves from file the CkADADRec (Appendix 34 of GAM) maintained per bank account and records the date, check number, name of payee, nature of payment and amount of the DV and indicates the new balance of the NCA/bank account. 24.Forwards Copies 1-3 of check, Copies 1-3 of DV, Copies 2-3 of ORS/BURS and SDs to the Cashier or Alternate Signatory for review and signature.
Cashier/Alternate Signatory	25.Verifies completeness of signature on the DV. Reviews the amount of the check against the DV and SDs. Signs the check.
Receiving/ Releasing Staff	26. Records in the logbook the date of submission to the SUC President or Alternate Signatory of Copies 1-3 of check, Copies 1-3 of DV, Copies 2-3 of ORS/BURS and SDs.
Office of the SUC President/Alternate Signatory	

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Receiving/ Releasing Staff	<p>27. Records in the logbook the date of receipt of Copies 1-3 of check, Copies 1-3 of DV, Copies 2-3 of ORS and SDs.</p> <p>28. Forwards the set of documents to the SUC President or Alternate Signatory.</p>
SUC President/Alternate Signatory	<p>29. Countersigns the check.</p>
Receiving/ Releasing Staff	<p>30. Forwards Copies 1-3 of check, Copies 1-4 of DV, Copies 2-3 of ORS and SDs to the Receiving/Releasing Staff for return to the Cashiering Services Unit.</p>
Cashiering Services Unit	
Cashier/Designated Staff	<p>31. Receives Copies 1-3 of check, Copies 1-3 of DV, Copies 2-3 of ORS and SDs and checks completeness of signatures in the check.</p> <p>32. Records in the logbook the date of receipt, DV number, payee, particulars and amount.</p> <p>33. Retrieves the CkADADRec and notes the return of the signed and countersigned check.</p>
Cashier/Designated Staff	<p>34. Releases the original check and Copy 3 of DV to the payee.</p> <p><i>Note 2-If MDS check is issued, the ACIC shall be submitted to the Bank. Said check shall be released to payee 24 hours after its submission to the Bank.</i></p> <p>35. Attaches OR/Invoice issued by payee/claimant, if any on Copy 1 of DV and requires payee/claimant to sign on Box D of the DV and the Check Registry/Logbook.</p> <p>36. Files temporarily Copies 2-3 of check, Copies 1-3 of DV, Copies 2-3 of ORS and SDs for preparation of reports.</p> <p>37. Posts in the 'Date Released' column of the CkADADRec the date of release of the check to the claimant.</p>

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4.5.5.1

Disbursement thru LDDAP-ADA (Manual)


Area of Responsibility	Activity
<i>Preparation of DV is the same in Item 4.6.4.1</i>	
Cashiering Services Unit	
Receiving/ Releasing Staff	<ol style="list-style-type: none"> 1. Receives Copies 1-3 of approved DV, Copies 2-3 of ORS and SDs. Records in the logbook the date of receipt, DV number, payee, particulars and amount.
Designated Staff	<ol style="list-style-type: none"> 2. Prepares in 7 copies the LDDAP-ADA, LDDAP-Internal/External Creditors (LDDAP-IC/EC) and, Summary of LDDAP-ADAs Issued and Invalidated ADA Entries (SLIIAE), 6 copies of Advice of Checks Issued and Cancelled (ACIC) and 5 copies of FINDES ATM Payroll of approved DVs pertaining to the current and prior years' accounts payable. <p><i>Note 1 – Prepare separate LDDAP-ADA for creditors/ payees with Current/Savings/ATM Account maintained with other banks outside the MDS-GSB. The LDDAP-EC is prepared for this otherwise LDDAP-IC is prepared.</i></p> 3. Signs the “Prepared by” portion of FINDES ATM Payroll. 4. Retrieves from file the CkADADRec maintained per bank account and records the date and number, name of payee, nature of payment and amount of the covering DVs, date and number of LDDAP-ADA, and indicates the new balance of the NCA/bank account. 5. Assigns control number in the SLIIAE. Records in the logbook the SLIIAE number and date, covering LDDAP-ADA number, date and amount and total amount of the SLIIAE. 6. Forwards Copies 1-7 of LDDAP-ADA, LDDAP-IC/EC and SLIIAE, Copies 1-6 of ACIC, Copies 1-5 of FINDES ATM Payroll, Copies 1-4 of DVs and SDs to Cashier/Alternate Signatory for review and signature.

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Cashier/Alternate Signatory	<p>7. Verifies correctness of the LDDAP-ADA, LDDAP-IC/EC, SLIIIE, ACIC and FINDES ATM Payroll and DVs. Reviews the amounts against the total amount of the DVs and SDs.</p> <p>8. Signs the “ADA” portion of the LDDAP-ADA, the “Certified Correct by” portion of the SLIIAE and ACIC and the “Checked by” portion of FINDES ATM Payroll.</p> <p>9. Files temporarily the covering DVs and SDs.</p> <p>10. Forwards Copies 1-7 of LDDAP-ADA, LDDAP-IC/EC and SLIIAE, Copies 1-6 of ACIC, Copies 1-5 of FINDES ATM Payroll, Copy 3 of DV to the Chief Accountant for review and signature.</p>
Accounting Services Unit	
Chief Accountant/Authorized Signatory	<p>11. Reviews and signs in Box I “Certified Correct” portion of LDDAP-ADA and LDDAP-IC/EC, and “Noted By” portion of FINDES ATM Payroll.</p> <p>12. Returns the documents to the Receiving/Releasing Staff of the Cashiering Unit.</p>
Cashiering Services Unit	
Receiving/ Releasing Staff	<p>13. Records in the logbook the release of Copies 1-7 of LDDAP-ADA, LDDAP-IC/EC and SLIIAE, Copies 1-6 of ACIC, Copies 1-5 of FINDES ATM Payroll, Copy 3 of DVs to the SUC President or Alternate Signatory</p>
Office of the SUC President/Alternate Signatory	
Receiving/ Releasing Staff	<p>14. Receives Copies 1-7 of LDDAP-ADA, LDDAP-IC/EC and SLIIAE, Copies 1-6 of ACIC, Copies 1-5 of FINDES ATM Payroll, Copy 3 of DVs and records in the logbook the date of receipt thereof.</p> <p>15. Forwards the set of documents to the SUC President or Alternate Signatory.</p>
SUC President/Alternate Signatory	<p>16. Reviews LDDAP-ADA and signs in Box I “Approved” portion of the LLDAP. Countersigns the “ADA” portion. Signs the “Approved by” portion of the LDDAP-IC/EC, SLIIAE and ACIC.</p> <p>17. Forwards Copies to the Receiving/ Releasing Staff for return to the Cashiering Services Unit.</p>
Receiving/ Releasing Staff	<p>18. Records in logbook the release of Copies 1-7 of LDDAP-ADA, LDDAP-IC/EC and SLIIAE, Copies 1-6 of ACIC, Copies 1-5 of FINDES ATM Payroll,</p>

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	Copy 3 of DVs and forwards the documents to the Cash/Treasury Unit.
Cashiering Services Unit	
Receiving/ Releasing Staff	19. Receives Copies 1-7 of LDDAP-ADA, LDDAP-IC/EC and SLIIAE, Copies 1-6 of ACIC, Copies 1-5 of FINDES ATM Payroll, Copy 3 of DVs and records in the logbook the date of receipt thereof.
Cashier/Designated Staff	<p>20.Checks completeness of signatures and segregates the documents.</p> <p><i>Note 2 – Documents are segregated into:</i> Bank - Copies 1-5 of LDDAP-ADA, LDDAP-IC/EC and SLIIAE, Copies 1-5 of ACIC, Copies 1-3 of FINDES ATM Payroll. DNSC - Copies 6-7 of LDDAP-ADA, LDDAP-IC/EC and SLIIAE, Copy 6 of ACIC and Copies 4-5 of FINDES ATM Payroll.</p> <p>21. Saves soft copies of ACIC and FINDES ATM Payroll to a flash drive.</p>
Designated Staff	<p>22.Submits bank copies of documents and flash drive to the bank.</p> <p><i>Note 3 – Payments are credited to the account of the payee 24-48 hours after submission to the bank.</i></p> <p>23.Returns DNSC copies of documents with stamp “Received By” the bank to the Cashier/Designated Personnel.</p>
Designated Staff	<p>24.Furnishes creditors/payees with a photocopy of the LDDAP-ADA for the issuance of an OR other acceptable evidence of receipt of payment of disbursements consistent with COA Circular No. 2004-006 dated September 9, 2004, immediately after actual receipt of payment.</p> <p>25.Monitors receipt of OR other acceptable evidence of receipt of payment.</p>

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4.5.5.1

Disbursement thru LDDAP-ADA (eMDS)

Area of Responsibility	Activity
<i>Preparation of DV is the same in Item 4.6.4.1</i>	
Cashiering Services Unit	
Receiving/ Releasing Staff	26. Receives Copies 1-3 of approved DV, Copies 2-3 of ORS and SDs. Records in the logbook the date of receipt, DV number, payee, particulars and amount.
Designated Staff	27. Prepares in LDDAP-ADA thru the LBP Electronic Modified Disbursement System (eMDS). Prints 7 copies of ACIC. <p><i>Note 1 – In the MDS, LDDAP-ADA is prepared but not printed while LDDAP-IC/EC, SLIIE and FINDES ATM Payroll if no longer prepared.</i></p> 28. Retrieves from file the CkADADRec maintained per bank account and records the date and number, name of payee, nature of payment and amount of the covering DVs, date and number of LDDAP-ADA, and indicates the new balance of the NCA/bank account.
Cashier/Alternate Signatory	29. Forwards Copies 1-7 of ACIC, Copies 1-4 of DVs and SDs to Cashier/Alternate Signatory for review and signature. 28. Verifies correctness of the ACIC. Reviews the amounts against the total amount of the DVs and SDs. 31. Signs the “Certified Correct by” portion of the ACIC and approves it in the eMDS. 32. Files temporarily the covering DVs and SDs. 33. Forwards Copies 1-7 of ACIC to the Receiving/Releasing Staff.
Receiving/ Releasing Staff	34. Records in the logbook the release of Copies 1-7 ACIC to the SUC President or Alternate Signatory
Office of the SUC President/Alternate Signatory	
Receiving/ Releasing Staff	35. Receives Copies 1-7 of ACIC and records in the logbook the date of receipt thereof. 36. Forwards the documents to the SUC President or Alternate Signatory.

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SUC President/Alternate Signatory	<p>37. Reviews the ACIC and signs in Box I “Certified Correct by” portion.</p> <p>38. Forwards Copies to the Receiving/ Releasing Staff for return to the Cashiering Services Unit.</p>
Receiving/ Releasing Staff	<p>39. Records in logbook the release of Copies 1-7 of ACIC and forwards the documents to the Cash/Treasury Unit.</p>
Cashiering Services Unit	
Receiving/ Releasing Staff	<p>40. Receives Copies 1-7 of ACIC and records in the logbook the date of receipt thereof.</p>
Cashier/Designated Staff	<p>41. Checks completeness of signatures and segregates the documents.</p> <p><i>Note 2 – Documents are segregated into:</i> Bank - Copies 1-5 of ACIC DNSC - Copies 6-7 of ACIC.</p>
Designated Staff	<p>42. Submits bank copies of documents to the bank.</p> <p><i>Note 3 – Payments are credited to the account of the payee 24-48 hours after submission to the bank.</i></p> <p>43. Returns DNSC copies of documents with stamp “Received By” the bank to the Cashier/Designated Personnel.</p>
Designated Staff	<p>44. Furnishes creditors/payees with a photocopy of the ACIC for the issuance of an OR other acceptable evidence of receipt of payment of disbursements consistent with COA Circular No. 2004-006 dated September 9, 2004, immediately after actual receipt of payment.</p> <p>45. Monitors receipt of OR other acceptable evidence of receipt of payment.</p>

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4.5.5.1

Disbursement thru TRA


Area of Responsibility	Activity
Preparation of DV is not required	
Accounting Services Unit	
Accounting Staff	<u>For every Disbursement Voucher where taxes are withheld</u> <ol style="list-style-type: none"> Prepares BIR Form 2307. Forwards the Form to the Chief Accountant for review and signature.
Chief Accountant	<ol style="list-style-type: none"> Reviews and signs the Form. Returns the Form to the Accounting Staff for forwarding to the Cashier.
Cashier Services Unit	
Cashier/Designated Staff	<ol style="list-style-type: none"> Receives the Form together with the DV. Releases the Form to payees upon payment of check or furnishing of the LDDAP. <p><i>Note 1 – Refer to 4.1 or 4.2 for the procedure of the release of payments.</i></p> <ol style="list-style-type: none"> Files receive copy of the Form.
Accounting Services Unit	
Accounting Staff	<u>Monthly</u> <ol style="list-style-type: none"> Prepares Alphabetical List of Payees. Files Monthly Remittance Form (MRF) to the Electronic Filing and Payment System (eFPS). Submits the MRF for payment after validation. Generates, prints and files BIR Forms 0619-E, 1600 and 1601 C from the eFPS. Forwards Summary of Total Taxes Withheld to Cashier for payment through the eFPS.
Cashier Services Unit	
Cashier/Designated Staff	<ol style="list-style-type: none"> Receives Summary of Total Taxes Withheld. Pays the tax through the eFPS. <p><i>Note 2 – Payment of TRA for the Regular Agency Fund while payment through bank transfer for other funds.</i></p>

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	7. Generates and files eFPS Payment Form and Confirmation Receipt.
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4.5.5. List of Forms

- 4.5.5.1** Disbursement Voucher (DV)
- 4.5.5.2** Check (c/o LBP)
- 4.5.5.3** List of Due and Demandable Accounts Payable-Advice to Debit Account (LDDAP-ADA)
- 4.5.5.4** List of Due and Demandable Accounts Payable-Internal Creditor (LDDAP-IC)
- 4.5.5.5** List of Due and Demandable Accounts Payable-External Creditor (LDDAP-EC)
- 4.5.5.6** Advice of Checks Issued and Cancelled (ACIC)
- 4.5.5.7** FINDES ATM Payroll
- 4.5.5.8** Authority to Deposit (AD)
- 4.5.5.9** Acknowledgement Receipt (AR)
- 4.5.5.10** BIR Form 2307
- 4.5.5.11** Monthly Remittance Form

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4.6 Cash Advance and Liquidation

4.6.1. Objective

4.6.1.1. To outline the process for cash advance and its subsequent liquidation.

4.6.2. Scope

4.6.2.1. This procedure includes the processing of cash advances of regular disbursing officer/s for payroll, officers and employees for travelling expenses and special disbursing officers for operating expenses.

4.6.2.2. This also covers the procedures in maintaining appropriate records and liquidation of cash advances.

4.6.3. Policy Statements


4.6.3.1. Disbursement by Cash. Cash disbursements constitute payments out of cash advances granted to the regular and special disbursing officers for personal services, petty expenses and MOOE for field operating requirements. All cash payments shall be covered by duly approved DVs/payrolls/petty cash vouchers (PCVs). The cash advances may be granted to the cashiers/disbursing officers/officials and employees to cover the following: salaries and wages, travels, special time-bound undertakings and petty operating expenses. The granting and liquidation of cash advances shall be governed by the following existing COA rules and regulations and other pertinent issuances:

4.6.3.1.1. No cash advance shall be given unless for a legally authorized specific purpose;

4.6.3.1.2. A cash advance shall be reported on and liquidated as soon as the purpose for which it was given has been served;

4.6.3.1.3. No additional cash advance shall be allowed to any official or employee unless the previous cash advance given to him/her is first settled/liquidated or a proper accounting thereof is made;

4.6.3.1.4. Except for cash advance for official travel, no officer or employee shall be granted cash advance unless he/she is properly bonded in accordance with existing laws or regulations. The amount of

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cash advance which may be granted shall not exceed the maximum cash accountability covered by his/her bond;

4.6.3.1.5. Only permanently appointed officials shall be designated as disbursing officers;

4.6.3.1.6. Only duly appointed or designated disbursing officer may perform disbursing functions. Officers and employees who are given cash advances for official travel need not be designated as Disbursing Officers;

4.6.3.1.7. Transfer of cash advance from one accountable officer to another shall not be allowed; and

4.6.3.1.8. The cash advance shall be used solely for a specific legal purpose for which it was granted. Under no circumstance shall it be used for encashment of checks or for liquidation of a previous cash advance.


4.6.3.2. Types of Cash Advance. There are two type of cash advances namely:

4.6.3.2.1. **Regular cash advances** - are those granted to cashiers, disbursing officers, paymasters, and/or property/supply officers for any of the following purposes:

- 4.6.3.2.1.1. Salaries and Wages
- 4.6.3.2.1.2. Commutable allowances
- 4.6.3.2.1.3. Honoraria and other similar payments to officials and employees
- 4.6.3.2.1.4. Petty operating expenses consisting of small payments for maintenance and operating expenses which cannot be paid conveniently by check or are required to be paid immediately.

4.6.3.2.2. **Special cash advances** - are those granted on the explicit authority of the Head of the Agency only to duly designated disbursing officers or employees for other legally authorized purposes, as follows:

- 4.6.3.2.2.1. Current operating expenditures of the agency field office or of the activity of the agency undertaken in the field when it is impractical to pay the same by check, such as Salaries, Wages and Allowances Maintenance and other operating expenses

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4.6.3.2.2.2. Travel expenditures, including transportation fare, travel allowance, hotel room/lodging expenses and other expenses incurred by officials and employees in connection with official travel.

4.6.3.3. Cash Advance for Payroll. Advances for Payroll shall be granted to Regular Disbursing Officers for payment of salaries, wages, honoraria, allowances and other personnel benefits of officials and employees. The Advances for Payroll shall not be used for encashment of checks or for liquidation of previous or other types of cash advances. It shall be equal to the net amount of the processed payroll corresponding to the pay period.

4.6.3.4. Cash Advance for Activity Operating Expenses. The special cash advance shall be granted to pay the salaries and wages of the employees and the miscellaneous operating expenses of an activity. This shall be granted to the Special Disbursing Officers of the College which are composed of the President, Vice President, Deans and Directors.


4.6.3.5. Cash Advances for Travel. The President of the Philippines issued Executive Order (EO) No. 77, dated March 15, 2019, prescribing the Rules and Regulations and Rates of Expenses and Allowances for Official Local and Foreign Travels of Government Personnel. In compliance with Section 21, Title III thereof and as approved by the BOT as per its resolution no. 22, s. 2019, the Internal Guidelines on Foreign and Local Travel of Davao del Norte State College shall be followed.

4.6.3.6. Bonding of Accountable Officer. As per COA Circular 2006-05 dated July 13, 2006, each accountable officer whose total cash accountability is not less than P5,000 shall be bonded. The amount of bond shall depend on the total accountability of the officer as fixed by the Head of the Agency. An official or employee who has both money and property accountability shall be bonded only once to cover both accountabilities, but the amount of bond shall be in accordance with the Schedule issued by the Bureau of Treasury.

When the accountability is increased, the Chief Accountant shall ensure that additional bond is applied for.

4.6.3.7. Liquidation of Cash Advance. The Accountable Officer shall liquidate his or her cash advance as follows:

4.6.3.7.1. **Payroll** - within five (5) days after each fifteen (15) day/end of the month pay period.

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4.6.3.7.2. **Activity Operating Expenses** - within twenty (20) days after the end of each activity.

4.6.3.7.3. **Travel** - within sixty (60) days after return to the Philippines in the case of foreign travel or within thirty (30) days after return to his permanent official station in the case of local travel.


Failure of the AO to liquidate his or cash advance within the prescribed period shall constitute a valid cause for the withholding of his salary and the instruction of other sanctions as provided by COA Circular No. 97-002 dated February 10, 1997 and other disciplinary sanctions.

4.6.3.8. Documentary Requirements. The documentary requirements for the cash advance and liquidation are provided under Annex 6.4.

4.6.4. Procedures

4.6.4.1. Advances for Payroll


Area of Responsibility	Activity
Refer to 4.6 for the disbursement of cash advance	
Granting of Cash Advance	
Regular Disbursing Officer	1. Receives the validated LDDAP-ADA from the authorized Accountable Officer. Records in the CDRec the date, reference, name of payee, particulars and the amount of ADA in the ‘Cash Advance Received’ column. 2. Withdraws the amount of cash advance from the GSB and keeps cash in a safety vault. <i>Note 1 – Agencies are enjoined to institute adequate internal control to safeguard government funds against possible losses/misappropriations</i>
Utilization of Cash Advance	
Regular Disbursing Officer	3. Pays officials and employees/other payees. <i>Note 2 – Employees/Payees shall sign on the ‘Signature of Recipient’ column of the payroll to acknowledge receipt of payment.</i> <i>Note 3 – If there are unclaimed salaries, the Disbursing Officer should refund the same within the time</i>

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	<p><i>prescribed by law/regulations. OR representing the refund shall be issued by the Cashier/Designated Collecting Officer. 4</i></p> <p>4. <i>Records the refund for unclaimed salary in the ‘Cash Advance Received/(Refunded)’ column of the CDRec in parenthesis.</i></p>
Liquidation of Advances to Payroll	
Regular Disbursing Officer	<p>5. Based on the paid payroll and SDs, prepares RCDisb in three copies. Signs the “Certification” portion of the RCDisb and submits to the Accounting Division/Unit.</p> <p><i>Note 4 – The RCDisb shall serve as the liquidation report of the Payroll Fund granted to the Disbursing Officer</i></p> <p><i>Note 5 - The RCDisb shall be distributed as follows:</i></p> <p style="padding-left: 40px;"><i>Original – COA Auditor, through the Accounting Division/Unit together with the paid Payrolls and SDs for JEV preparation</i></p> <p style="padding-left: 40px;"><i>Copy 2 – Accounting Division/Unit</i></p> <p style="padding-left: 40px;"><i>Copy 3 – Disbursing Officer’s file</i></p>

4.6.4.2. Advances for Activity Operating Expenses


Area of Responsibility	Activity
Refer to 4.6 for the disbursement of cash advance	
Granting of Cash Advance	
Special Disbursing Officer	<p>1. Receives the validated LDDAP-ADA from the authorized Accountable Officer. Records in the CDRec the date, reference, name of payee, particulars and the amount of ADA in the ‘Cash Advance Received’ column.</p> <p>2. Withdraws the amount of cash advance from the GSB and keeps cash in a safety vault.</p> <p><i>Note 1 – Agencies are enjoined to institute adequate internal control to safeguard government funds against possible losses/misappropriations</i></p>

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Utilization of Cash Advance	
Special Disbursing Officer	<p>3. Pays the MOOE/authorized expenses requirements of the field/extension/ satellite offices/operating units based on duly approved DVs with the required SDs.</p> <p><i>Note 2 – Refer to the minimum documentary requirements for of common financial transactions in Annex 6.3.</i></p> <p>4. Records in the CDReg the date, reference, name of payee, particulars and the amount disbursed under the ‘Payments’ column. Enters the nature of payments made under the appropriate columns under the ‘Breakdown of Payments’.</p> <p><i>Note 3 – The total of the ‘Advances for Operating Expenses-Payments’ column must always be equal to the sum of the totals of the ‘Breakdown of Payments’ columns.</i></p> <p>5. Indicates the running balance of the cash advance in the ‘Balance’ column after posting each transaction.</p>
Liquidation of Advances to Payroll	
Special Disbursing Officer	<p>6. Submits to the Accounting Division/Unit of Central/Regional/Division Office or Operating Unit concerned a certified photocopy of the CDReg with complete SDs every time the cash advance is liquidated.</p>

4.6.4.3. Disbursement of Advances to Officers and Employees

Area of Responsibility	Activity
Refer to 4.6 for the disbursement of cash advance	
Receipt and Liquidation of Cash Advance for Travel	
Officer/Employee	<p>1. Receives the approved check and Copy 4 of DV from Cash/Treasury Unit.</p>

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	<p><i>Note 1 – Officers/Employees shall sign on the received portion of the original copy of the DV to acknowledge receipt of traveling allowance.</i></p> <p>2. Upon return to the official station, prepares the LR in two copies and signs in Box A or “Certification” portion. Attaches appropriate SDs such as IT, CTC, Certificate of Appearance, Travel Report, Plane/Boat Ticket, and RER.</p> <p><i>Note 2 – The LR together with the appropriate SDs shall be submitted to the Accounting Division/Unit upon return to the official station within the reglementary period as stated in Item 4.7.3.7.</i></p> <p><i>Note 3 – If there is unused/excess traveling allowance, the amount shall be refunded to the Cashier/ Collecting Officer who shall in turn issue the OR to acknowledge receipt of amount refunded.</i></p> <p><i>Note 4 – The bookkeeping section shall forward documents to Budget Office for the reimbursement of allowable traveling expenses incurred in excess of the cash advance.</i></p>
Immediate Supervisor of Officer/Employee	3. Signs in Box B “Certified: Purpose of travel/cash advance duly accomplished” portion of the LR
Officer/Employee	4. Submits Copies 1-2 of the LR, SDs to Accounting Division/Unit for processing and certification of Box C “Certified: SDs complete and proper” and recording of the actual traveling expenses.
Chief Accountant	<p>5. Checks completeness of SDs. If complete, acknowledges receipt of the LR, returns Copy 2 to the claimant and records the same in the logbook. Otherwise, returns the documents to the claimant for appropriate action.</p> <p>6. Verifies completeness and propriety of the SDs. If complete and proper, signs in Box C, “Certified: SDs complete and proper” portion of the LR. Otherwise, prepares letter informing the claimant of the deficiencies.</p>

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	<i>Note 5 – Upon compliance of the deficiencies, refer to Sequence No. 4.</i>
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4.6.5. List of Forms

- 4.6.5.1.** Cash Disbursement Record (CDRec)
- 4.6.5.2.** Report of Cash Disbursement (RCD)
- 4.6.5.3.** Liquidation Report (LR)
- 4.6.5.4.** Itinerary of Travel
- 4.6.5.5.** Travel Order
- 4.6.5.6.** Purchase Request (PR)

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4.7 Petty Cash Fund (PCF)

4.7.1. Objective

4.7.1.1. To establish a procedure in the maintenance of Petty Cash Fund (PCF).

4.7.2. Scope


4.7.2.1. This includes the system to be followed in the maintenance of PCF, disbursement of petty expenses and replenishment and liquidation of the fund.

4.7.3. Policy Statements

4.7.3.1. Cash Advance of Petty Operating Expenses. The Petty Cash Fund (PCF) to be set up shall be sufficient for the recurring petty operating expenses of the agency for one month. It shall be maintained using the Imprest System. All replenishments shall be directly charged to the expense account and at all times, the PCF shall be equal to the total cash on hand and the unreplenished expenses. The PCF shall be replenished as soon as disbursements reach at least 75% or as needed. The following are the accounting policies regarding cash advance for PCF:

4.7.3.1.1. The fund shall be kept separately from the regular cash advances/collections and shall not be used for payment of regular expenses such as rentals, subscriptions, light and water bills, purchase of supplies and materials for stock purposes, and the like. Payments out of PCF, which shall be made through a Petty Cash Voucher (PCV), should be allowed only for amounts not exceeding P15,000 for each transaction, except when a higher amount is allowed by law and/or specific authority by the Commission on Audit (COA). Splitting of transactions to avoid exceeding the ceiling shall not be allowed. All disbursements out of PCF shall be covered by duly accomplished and approved PCV supported by cash invoices, Official Receipts (ORs)or other evidence of disbursements.

4.7.3.1.2. The unused balance of the PCF shall not be closed/refunded at the end of the year. The fund shall be closed only upon termination, separation, retirement or dismissal of the Petty Cash Fund Custodian (PCFC), who in turn shall refund any balance to close his/her cash accountability.


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4.7.3.1.3. At the end of the year, the PCFC shall submit to the Accounting Division/Unit all unreplenished Petty Cash Vouchers (PCVs) for recording in the books of account


4.7.3.2. Documentary Requirements. The documentary requirements for the granting and liquidation of PCF are provided under Annex 6.5.

4.7.4. Procedures

Area of Responsibility	Activity
Refer to 4.6 for the disbursement of cash advance	
Establishment of PCF	
PCF Custodian	<ol style="list-style-type: none"> 1. Receives the validated LDDAP-ADA from the authorized Accountable Officer. Records in the PCFR the date, particulars, reference and the amount of check in the ‘Cash Advance’ column. 2. Encashes check in GSB and keeps cash in a safety vault. <p><i>Note 1 – Agencies are enjoined to institute adequate internal control to safeguard government funds against possible losses/ misappropriations.</i></p>
Utilization of Cash Advance from PCF	
Requesting Personnel	3. Accomplishes Box I columns ‘Particulars’ and ‘Amount’ and Box A “Requested by” portion of the PCV.
Immediate Supervisor of Requesting Personnel	4. Signs Box A “Approved by” portion of the PCV and returns to Requesting Personnel.
Requesting Personnel	5. Submits the required documents to the PCFC for the release of funds.
PCF Custodian	<ol style="list-style-type: none"> 6. Receives from the Requesting Personnel the PCV duly approved by the Immediate Supervisor of the Requestor. 7. Upon release of the petty cash, signs in Box B “Paid by” portion of the PCV.
Requesting Personnel	8. Receives petty cash and signs in Box B “Cash Received by” portion of the PCV.

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PCF Custodian	<p>9. Issues Copy 2 of the PCV to the Requesting Personnel.</p> <p>10. Files the original of PCV awaiting liquidation.</p>
Liquidation of Cash Advance	
PCF Custodian	<p>11. Receives from Requesting Personnel Copy 2 of the PCV together with SDs. Checks and reviews completeness of documents such as the date, amount and nature of expenses paid as shown in the SDs. If incomplete, returns to Requesting Personnel for completion of needed SDs.</p> <p><i>Note 1 – Refer to Annex 6.3 for the list of supporting documents per transaciton.</i></p> <p>12. If complete, retrieves the original of PCV from file and fills up Box II “Total Amount Granted”, “Total Amount Paid per OR/Invoice No.”, and “Amount Refunded/ Reimbursed” portion of the original and Copy 2 of PCVs.</p> <p>13. Checks the appropriate boxes for “Received Refund” or “Reimbursement Paid” portion and signs Box C of the PCV.</p>
Requesting Personnel	<p>14. Checks and fills up the appropriate boxes for “Liquidation Submitted by” and “Reimbursement Received by” upon submission of necessary SDs and receipt or reimbursement of cash, if any, and signs Box D of the PCV.</p>
PCF Custodian	<p>15. Returns Copy 2 of the PCV to the Requesting Personnel.</p> <p>16. Retrieves PCFR from file and records paid PCVs. Fills up the following columns: date, PCV No., name of payee, nature of payment and the amount in the ‘Disbursements’ and ‘Cash Advance Balance’ columns.</p> <p>17. Files the original PCV together with the SDs.</p> <p><u>Replenishment of PCF</u></p> <p>18. Retrieves from file the original of the PCV together with the SDs. Checks the completeness of all PCVs for replenishment.</p>

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	<p>19. Based on the paid PCVs and SDs, prepares the RPPCVs in two copies. Signs the “Certification” portion of the RPPCV.</p> <p><i>Note 2 – The RPPCVs shall serve as the basis in the preparation of the DV to replenish the PCF.</i></p> <p><i>Note 3 – In case of retirement, separation, termination or dismissal of the PCFC, any unused balance shall be refunded to close the accountability. The incoming Custodian shall be granted a new PCF.</i></p> <p>20. Based on the RPPCVs, prepares DV in four copies and ORS in three copies. Forwards Copies 1-4 of the DV, original of the RPPCVs and PCV, and SDs to Authorized Official for review and signature.</p>
Authorized Official	21. Signs in Box A portion of the ORS and DV
PCF Custodian	<p>22. Forwards Copies 1-4 of the DV, Copies 1-3 of ORS, originals of RPPCVs and PCVs and SDs to Budget Division for recording of obligation.</p> <p><i>Note 3 – For the processing of ORS and check, refer to Sec. 15 of Chapter 3 and Sec. 12 of this Chapter, respectively.</i></p> <p><i>Note 4 – For the recording of replenishment of PCF, refer to Seq. 32 to 37 of Sec. 12 of this Chapter.</i></p> <p><i>Note 5 – The RPPCVs shall be distributed as follows:</i></p> <p style="padding-left: 40px;"><i>Original – COA Auditor, through the Accounting Division/Unit, together with the original copies of the paid PCVs and SDs</i></p> <p style="padding-left: 40px;"><i>Copy 2 – Treasury/Cash Unit</i></p>

4.7.5. List of Forms

- 4.7.5.1.

Report on Paid Petty Cash Voucher (RPPCV)
- 4.7.5.2.


Petty Cash Voucher (PCV)
- 4.7.5.3.

Report of Disbursement (RCD)
- 4.7.5.4.


Canvass
- 4.7.5.5.

Summary/Abstract of Canvass
- 4.7.5.6.

Waste Materials Report (WMR)

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- 4.7.5.7. Inspection and Acceptance Report
- 4.7.5.8. Purchase Request

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4.8 Budget and Financial Reporting

4.8.1. Objective

4.8.1.1. To lay down the process in the preparation of budget and financial reports and set forth its timeline.

4.8.2. Scope

4.8.2.1. This defines the preparation and submission of Annual Financial Statements (AFS), monthly and quarterly financial reports, Fund Utilization Report (FUR) and Budget and Financial Reports (BFARs) to Commission on Audit (COA), Department of Budget and Management (DBM), and Board of Trustees (BOT) of the College.

4.8.3. Policy Statements

4.8.3.1. **Financial Reporting System for the National Government.** The financial reporting system of the Philippine government consists of accounting system on accrual basis and budget reporting system on budget basis under the statutory responsibility of the NGAs, Bureau of the Treasury (BTr), Department of Budget and Management (DBM), and the COA, as follows:


4.8.3.1.1. Each entity of the National Government (NG) maintains a complete set of accounting books by fund cluster which is reconciled with the records of cash transactions maintained by the BTr.

4.8.3.1.2. Each entity maintains budget registries which are reconciled with the budget records maintained by the DBM and the Government Accountancy Sector (GAS), COA.

4.8.3.1.3. d. The COA, through the GAS:

4.8.3.1.3.1. maintains budget records showing the overall approved budget of the NG and its execution/implementation

4.8.3.1.3.2. consolidates the FSs and budget accountability reports of all NGAs and the BTr with COA’s records to come up with an Annual Financial Report (AFR) for the NG as required in Section 4, Article IX-D of the 1987 Philippine Constitution; and

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4.8.3.1.3.3. prepares other financial reports required by law for submission to oversight agencies.

4.8.3.2. Objectives of General Purpose Financial Statements. The objectives of general purpose financial statements (GPFSS) are to provide information about the financial position, financial performance, and cash flows of an entity that is useful to a wide range of users in making and evaluating decisions about the allocation of resources. Specifically, the objectives of general purpose financial reporting in the public sector are to provide information useful for decision-making, and to demonstrate the accountability of the entity for the resources entrusted to it.

4.8.3.3. Responsibility for Financial Statements. The responsibility for the preparation of the FSs rests with the following:


- 4.8.3.3.1. for individual entity/department FSs – the head of the entity/department central office (COF) or regional office (RO) or operating unit (OU) or his/her authorized representative jointly with the head of the finance/accounting division/unit; and
- 4.8.3.3.2. for department/entity FSs as a single entity – the head of the entity/department COF jointly with the head of the finance unit.

4.8.3.4. Components of General Purpose Financial Statements. The complete set of GPFSS consists of:

- 4.8.3.4.1. Statement of Financial Position;
- 4.8.3.4.2. Statement of Financial Performance;
- 4.8.3.4.3. Statement of Changes in Net Assets/Equity;
- 4.8.3.4.4. Statement of Cash Flows;
- 4.8.3.4.5. Statement of Comparison of Budget and Actual Amounts; and
- 4.8.3.4.6. Notes to the Financial Statements, comprising a summary of significant accounting policies and other explanatory notes.

4.8.3.5. Books of Accounts and Registries. The books of accounts and registries of the NG entities consist of:

- 4.8.3.5.1. Journals
 - 4.8.3.5.1.1. General Journal
 - 4.8.3.5.1.2. Cash Receipts Journal
 - 4.8.3.5.1.3. Cash Disbursements Journal

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4.8.3.5.1.4. Check Disbursements Journal

4.8.3.5.2. Ledgers

4.8.3.5.2.1. General Ledgers

4.8.3.5.2.2. Subsidiary Ledgers

4.8.3.5.3. Registries

4.8.3.5.3.1. Registries of Revenue and Other Receipts (RROR)

4.8.3.5.3.2. Registry of Appropriations and Allotments (RAA)

4.8.3.5.3.3. Registries of Allotments, Obligations and Disbursements (RAOD)

4.8.3.5.3.4. Registries of Budget, Utilization and Disbursements (RBUD)

4.8.3.6. Components of Budget and Financial Accountability Reports. The budget reports consist of the following Budget and Financial Accountability Reports (COA-DBM-DOF Joint Circular No. 2013-1, as amended by COA and DBM Joint Circular No. 2014-1 dated July 2, 2014):

4.8.3.6.1. Quarterly Physical Report of Operation (QPRO) – BAR No. 1

4.8.3.6.2. Statement of Appropriations, Allotments, Obligations, Disbursements and Balances (SAAODB) – FAR No. 1

4.8.3.6.3. Summary of Appropriations, Allotments, Obligations, Disbursements and Balances by Object of Expenditures (SAAODBOE) – FAR No. 1-A

4.8.3.6.4. List of Allotments and Sub-Allotments (LASA) – FAR No. 1-B

4.8.3.6.5. Statement of Approved Budget, Utilizations, Disbursements and Balances (SABUDB) – FAR No. 2 (for Off-Budget Fund)


4.8.3.6.6. Summary of Approved Budget, Utilizations, Disbursements and Balances by Object of Expenditures (SABUDBOE) – FAR No. 2-A (for Off-Budget Fund)

4.8.3.6.7. Aging of Due and Demandable Obligations (ADDO) – FAR No. 3

4.8.3.6.8. Monthly Report of Disbursements (MRD) – FAR No. 4

4.8.3.6.9. Quarterly Report of Revenue and Other Receipts (QRROR) – FAR No. 5

4.8.3.7. Qualitative Characteristics of Financial Reporting. An entity shall present information including accounting policies in a manner that meets the following qualitative characteristics enumerated in PPSAS 1:

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4.8.3.7.1. Understandability – information is understandable when users might reasonably be expected to comprehend its meaning. For this purpose, users are assumed to have a reasonable knowledge of the entity’s activities and the environment in which it operates, and to be willing to study the information. Information about complex matters should not be excluded from the financial statements merely on the grounds that it may be too difficult for certain users to understand.


4.8.3.7.2. Relevance – information is relevant to users if it can be used to assist in evaluating past, present or future events or in confirming, or correcting, past evaluations. In order to be relevant, information must also be timely.

4.8.3.7.3. Materiality – the relevance of information is affected by its nature and materiality. Information is material if its omission or misstatement could influence the decisions of users or assessments made on the basis of the financial statements. Materiality depends on the nature or size of the item or error, judged in the particular circumstances of its omission or misstatement.

4.8.3.7.4. Timeliness – the usefulness of financial statements is impaired if they are not made available to users within a reasonable period after the reporting date. Ongoing factors such as the complexity of an entity’s operations are not sufficient reason for failing to report on a timely basis. More specific deadlines are dealt with by legislation and regulations in many jurisdictions.

If there is an undue delay in the reporting of information, it may lose its relevance. To provide information on a timely basis, it may often be necessary to report before all aspects of a transaction are known, thus impairing reliability. Conversely, if reporting is delayed until all aspects are known, the information may be highly reliable but of little use to users who have had to make decisions in the interim. In achieving a balance between relevance and reliability, the overriding consideration is how best to satisfy the decision-making needs of users. (Appendix A, PPSAS 1)

4.8.3.7.5. Reliability – reliable information is free from material error and bias, and can be depended on by users to represent faithfully that which it purports to represent or could reasonably be expected to represent.

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4.8.3.7.6. Faithful representation – information to represent faithfully transactions and other events, it should be presented in accordance with the substance of the transactions and other events, and not merely their legal form.


4.8.3.7.7. Substance over form – if information is to represent faithfully the transactions and other events that it purports to represent, it is necessary that they be accounted for and presented in accordance with their substance and economic reality, and not merely their legal form. The substance of transactions or other events is not always consistent with their legal form.

4.8.3.7.8. Neutrality – information is neutral if it is free from bias. Financial statements are not neutral if the information they contain has been selected or presented in a manner designed to influence the making of a decision or judgment in order to achieve a predetermined result or outcome.

4.8.3.7.9. Prudence – is the inclusion of a degree of caution in the exercise of the judgments needed in making the estimates required under conditions of uncertainty, such that assets or revenue are not overstated and liabilities or expenses are not understated. However, the exercise of prudence does not allow, for example, the creation of hidden reserves or excessive provisions, the deliberate understatement of assets or revenue, or the deliberate overstatement of liabilities or expenses, because the financial statements would not be neutral and, therefore, not have the quality of reliability.

4.8.3.7.10. Completeness – the information in financial statements should be complete within the bounds of materiality and cost.

4.8.3.7.11. Comparability – information in financial statements is comparable when users are able to identify similarities and differences between that information and information in other reports. Comparability applies to the comparison of financial statements of different entities and comparison of the financial statements of the same entity over periods of time. An important implication of the characteristic of comparability is that users need to be informed of the policies employed in the preparation of financial statements, changes to those policies, and the effects of those changes. Because users wish to compare the performance of an entity over time, it is important that

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financial statements show corresponding information for preceding periods. (PPSAS 1)

4.8.3.8. Accounting Principles. The financial reports shall be in accordance with the following principles:

4.8.3.8.1. **Fair Presentation.** The FSs shall present fairly the financial position, financial performance and cash flows of an entity. Fair presentation requires the faithful representation of the effects of transactions, other events, and conditions in accordance with the definitions and recognition criteria for assets, liabilities, revenue, and expenses set out in PPSAS. The application of PPSAS, with appropriate disclosures, if necessary, would result in fair presentation of the FS.


4.8.3.8.2. **Compliance with PPSASs.** An entity whose financial statements comply with PPSASs shall make an explicit and unreserved statement of such compliance in the notes. Financial statements shall not be described as complying with PPSASs unless they comply with all the requirements of PPSASs. Inappropriate accounting policies that do not comply with PPSAS are not rectified either by disclosure of the accounting policies used, or by notes or explanatory material.

4.8.3.8.3. **Departure from PPSAS.** In the event that Management strongly believes that compliance with the requirement of PPSAS would result in misleading presentation that it would contradict the objective of the FSs set forth in PPSAS, the entity may depart from that requirement if the relevant regulatory framework allows, or otherwise does not prohibit, such a departure.

4.8.3.8.4. **Going Concern.** The FSs shall be prepared on a going concern basis unless there is an intention to discontinue the entity operation, or if there is no realistic alternative but to do so.

4.8.3.8.5. **Consistency of Presentation.** The presentation and classification of items in the FSs shall be retained from one period to the next unless laws, rules and regulations, and PPSAS require a change in presentation.

4.8.3.8.6. **Materiality and Aggregation.** Each material class of similar items shall be presented separately in the financial statements. Items of a dissimilar nature or function shall be presented separately

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unless they are immaterial. If a line item is not material, it is aggregated with other items either on the face of FSs or in the Notes to the FSs. A specific disclosure requirement in a PPSAS need not be satisfied if the information is not material.

4.8.3.8.7. **Offsetting.** Assets and liabilities, and revenue and expenses shall not be allowed to offset unless required or permitted by a PPSAS except when offsetting reflects the substance of the transaction or other event.

4.8.3.8.8. **Comparative Information.** Comparative information shall be disclosed with respect to the previous period for all amounts reported in the FSs. Comparative information shall be included for narrative and descriptive information when it is relevant to an understanding of the current period’s FSs.


4.8.3.8.9. **Structure and Content.** The FSs and each component shall be identified clearly and distinguished from other information in the same published document.

4.8.3.9. Fund Utilization Report (FUR). Sometime in 2013, under the leadership of former CHED Secretary and Davao Region SUCs Board Chairperson Patricia Licuanan, the Board Finance Committees (BFCs) of the Davao Region SUCs (USEP, DOSCST, DNSC, CVSC, and SPAMAST) were created to facilitate the detailed review of all financial transactions proposed by the SUCs before these reach the Board for policy action.


On September 2020, the BFC formulated the Guidelines in the Preparation of Financial Reports for the Davao Region SUCs intended for the use of the Davao Region’s SUCs, BFCs, and BOTs/R. Under the guidelines is the submission of quarterly FUR.

Financial Utilization Reports are periodic reports that show how funds from all sources were utilized/spent. These shall facilitate the tracking of SUC performance in achieving their targeted programs. The reports shall be presented according to expenses incurred to determine the percentage contribution of fund sources in the achievement of specific programs. The report shall also provide insights on financial gaps that need to be addressed and the necessity of increasing fees, among others (*statements under this item are taken from the above-mentioned guideline*).

4.8.3.10. Deadline of Submission. Deadline of submission of each reports are as follows:

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Report	Submit to	Deadline
BFARs	COA Auditor and DBM thru the Unified Reporting System (URS)	<p>Within thirty (30) days after the end of each quarter:</p> <ol style="list-style-type: none"> 1. SAAODB – FAR No. 1 2. SAAODBOE – FAR No. 1.A 3. List of Allotments/Sub-Allotments - FAR No. 1.B 4. SABUDB – FAR No. 2 5. SABUDBOE – FAR No. 2.A 6. QRROR – FAR No. 5 <p>On or before 30th day following the end of the year – ADDO – FAR No. 3</p> <p>On or before 30th day of the following month covered – MRD – FAR No. 4</p> <p>On or before February 14 of the following calendar year – Consolidated Statement of Allotments, Obligations, and Balances per Summary of Appropriations under FCR under GAA, GARO, and SARO</p>
Monthly Trial Balance and Supporting Documents	COA Auditor and DBM	Ten days after the end of the month
Quarterly Trial Balance, Quarterly Financial Statements and Supporting Documents	COA Auditor and DBM	Ten days after the end of the month
Yearend Trial Balance, Annual Financial Statements and	COA Auditor, DBM and COA GAS	February 14 of the following year


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Supporting Documents		
Fund Utilization Report	Administrative Council Meeting, BOT Finance Committee and BOT meeting (Quarterly)	Dates to be fixed by BOT secretary in coordination with the SUC President, BFC and BOT Chairman (<i>previous quarter</i>)

4.8.4. Procedures

4.8.4.1. Budget and Financial Accountability Report


Area of Responsibility	Activity
Recording in the Registries	
Budget Officer	1. Encodes appropriation and allotment in the RAA. <i>Note 1 – Basis of encoding of appropriation is the General Appropriations Act as the Release Document (GAARD) while for the allotment is the GAARD for the comprehensive releases, Special Allotment Release Order for later release and General Allotment Release Order for Automatic Appropriations</i>
Budget Staff	2. Encodes obligation portion based on the approved ORS and BURS in the RAOD and RBUD, respectively (<i>per transaction</i>). 3. Encodes disbursement part based on the Checks/ADA Disbursement Journal (<i>monthly</i>). 4. Furnishes the Budget Officer of the Registries.
Accountant	5. Encodes revenue and other receipts in the RROR.
Preparation of BFARs	
Budget Officer/Accountant	6. Prepares the BFARs based on the Registries. <i>Note 2 – The Budget Officer prepares FARs 1-4 while the College Accountant prepares FAR 5. The Director for Planning and Resource Management prepares BAR 1.</i>
Budget Staff	7. Endorses the BFARs to the Budget Staff for encoding to the URS. 8. Encodes the BFARs to the URS. 9. Notifies the Budget Officer that encoding is finished for checking.

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Budget Officer	10. Checks the BFARS in the URS. If in order, clicks the “For Review” button. If not, edits the BFARs and/or go back to step 7.
Accountant	11. Checks the BFARS in the URS. If in order, clicks the “For Approval” button. If not, clicks “Send Back” button. The process shall return to step 10.
SUC President/Authorized Representative	12. Checks the BFARS in the URS. If in order, clicks the “For Submission” button. If not, clicks “Send Back” button. The process shall return to step 10.
Budget Officer	13. Generates and prints BFARs in 3 copies. 14. Submits Copies 1-2 to COA and DBM. 15. Files Copy 3.

4.8.4.2. Monthly and Quarterly Reports, and Annual Financial Statements


Area of Responsibility	Activity
Cashiering Services Unit-Disbursement	
Disbursing Officer	1. After payment, segregates Checks/LDDAP and its supporting documents and stamps “Paid” in each document. 2. Prepares and submits Report of Checks and ADA Issued (RCKADAI) to the Head of Cashiering Unit.
Head, Cashiering Services	3. Checks the RCKADAI. If correct, signs the certification and returns to Releasing/Receiving Staff. If not, the process goes back to step 2.
Releasing/Receiving Staff	4. Submits the RCKADAI and its supporting documents to the Accounting Services Unit.
Cashiering Services Unit-Collection	
Collecting Officer	1. After collection and deposit, segregates documents. 2. Prepares and submits Report of Collections and Deposits (RCD) to the Head of Cashiering Unit.
Head, Cashiering Services	3. Checks the RCD. If correct, signs the certification, and returns to Releasing/Receiving Staff. If not, the process goes back to step 2.
Releasing/Receiving Staff	4. Submits the RCKADAI and its supporting documents to the Accounting Services Unit.
Journalizing	
Bookkeeper	1. Prepares journal entries for each transaction direct to the General Journal Cash Receipts Journal, Checks and ADA Disbursement Journal and Cash Disbursement Journal, whichever is appropriate.

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	2. Furnishes soft copies of the journal to the bookkeeping staff and the hard copies of SDs.
Bookkeeping Staff	3. Prepares Journal Entry Vouchers (JEV) and submits to bookkeeper for checking and signature.
Bookkeeper	4. Checks the JEV. If in order, signs the prepared by portion. If not, the process goes back to step 3.
Head, Accounting Services Unit	5. Checks the JEV. If in order, signs the prepared by portion. If not, the process goes back to step 3.
Bookkeeping Staff	6. Segregates and the JEV and SDs. <i>Note 1 – Copy 1 for COA Auditor Copy 2 for DNSC</i>
	7. Scans the Copy 1.
Preparation of Trial Balance and Quarterly Financial Statements	
Bookkeeper	1. Posts the monthly summarized journal entries from the Special Journals and GJ to the respective GLs. 2. Posts the source/summarizing documents to the respective SLs. <i>Note 1 – The summarizing/source documents are the following:</i> <ul style="list-style-type: none"> • Report of Collections and Deposits • Report of Checks Issued • Report of Advice to Debit Account Issued • Report of Cash Disbursements • Registries of OUs without complete set of books • Journal Entry Voucher • Disbursement Voucher • Other Supporting Documents 3. Foots and extracts the balances of the GLs and SLs 4. Based on the balances in the GL, prepares the unadjusted Trial Balance to check the equality of debits and credits. Files temporarily 5. Prepares AJE direct to the GJ for unrecorded transactions and for all accounts that need to be adjusted/corrected 6. Records AJE in the affected SLs. 7. Posts the GJ to the GLs. 8. Foots and extracts balances of the GLs and SLs. 9. Based on the GLs, prepares Pre-Closing Trial Balance in four copies. Files temporarily the Pre-Closing Trial Balance. <i>Note 1 – The preparation of the AJEs is at month end or as necessary.</i>

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	<p><i>Note 2 – The Bookkeeper furnishes GJ for the AJE to the bookkeeping staff. (Refer to the process of journalizing)</i></p>
Head, Accounting Services Unit	<p>10. Reviews and signs the “Certified Correct” portion of the Pre-Closing Trial Balance and the supporting schedules.</p>
Bookkeeping Staff	<p>11. Submits the Pre-Closing Trial Balance to the Offices concerned together with the Journals, JEVs and SDs and its scanned copies. Records submission in the logbook maintained. Files Copy 4 of the Pre-Closing Trial Balance and Copy 4 of supporting schedules for preparation of financial statements</p>
Preparation of Trial Balance and Annual Financial Statements	
Bookkeeper	<p>1. Prepares closing journal entries direct to the GJ</p> <p><i>Note 1 – The Bookkeeper furnishes GJ for the closing entries to the bookkeeping staff. (Refer to the process of journalizing)</i></p> <p>2. Posts the GJ in the respective GLs and SLs.</p> <p>3. Foots and extracts the balances of the GLs and the SLs.</p> <p>4. Based on the GLs, prepares Post-Closing Trial Balance in four copies.</p> <p>5. Reconciles the supporting schedules presented in the Notes to Financial Statements with the amounts in the Post-Closing Trial Balance. If not reconciled, prepares the necessary corrections through JEV. Records the JEV in the GJ. Posts the GJ in the respective GLs and prepares the revised Post-Closing Trial Balance.</p> <p>6. Signs the “Prepared by” portion of supporting schedules and initials the “Certified Correct by” portion of the Post-Closing Trial Balance.</p> <p>7. Forwards the same together with the Post-Closing Trial Balance and supporting schedules to the Head of the Accounting Division/Unit</p>
Head, Accounting Services Unit	<p>8. Reviews and signs “Certified Correct by” portion of the Post-Closing Trial Balance, supporting schedules.</p> <p><i>Note 2 – The Post-closing Trial Balance is returned to bookkeeping staff for submission to concerned offices together with the Journals, JEVs and SDs, and its scanned copies.</i></p>

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	<p>9. Prepares the Annual Financial Statements (AFS)</p> <p><i>Note 3 – The Head of Budgeting Services Unit prepares the SCBAA.</i></p> <p>10. Transmits the AFS to the bookkeeping staff.</p>
Bookkeeping Staff	<p>11. Export and prints generate file of the AFS per component and fund.</p> <p>12. Bind the AFS.</p> <p>13. Submits the AFS to concerned offices</p> <p><i>Note 3 – Trial Balances and supporting schedules shall be distributed as follows:</i> <i>Copy 1 – COA Resident Auditor</i> <i>Copy 2 – Government Accountancy Sector, COA</i> <i>Copy 3 – DBM</i> <i>Copy 4 – Accounting Division/Unit File</i></p> <p><i>Note 4 – The frequency of submission of Pre-Closing Trial Balance/Post-Closing Trial Balance and other reports shall be as follows:</i></p> <p><i>Pre-Closing Trial Balance and other reports – monthly, within ten days after the end of the month to the COA Resident Auditor and DBM</i></p> <p><i>Yearend Pre-Closing Trial Balance/Post-Closing Trial Balance and other reports – on or before February 14 of the following year to the COA Resident Auditor, DBM and Government Accountancy Sector, COA</i></p>

4.8.4.3. Fund Utilization Report

Area of Responsibility	Activity
FUR	
Head, Budgeting Services Unit	<p>1. Prepares the FUR Forms based on the BFARs and Registries</p> <p>2. Signs the prepared by portion and submits to the Director for Finance Services.</p>
Director for Finance Services	<p>3. Checks the FUR. If correct, signs the verified by portion. If not, the process goes back to step 1.</p>

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Head, Budgeting Services Unit	4. Presents the FUR to the Administrative Council. If endorsed, submits to VP for Administration and Finance (VPAF). If not, process goes back to step 1.
VPAF	5. Checks the FUR. If in order, signs the certified correct portion and submits to the SUC President. If not, the process goes back to step 1 but skips step 4.
SUC President	6. Checks the FUR. If in order, signs the certified correct portion and returns to the Head of Budgeting Services Unit. If not, the process goes back to step 1 but skips step 4.
Head, Budgeting Services Unit	7. Submits the FUR to the BOT Secretary with SDs, if applicable.
IGP	
Head, Accounting Services Unit	8. Prepares the IGP Forms. 9. Signs the prepared by portion. 10. Presents the FUR to the Administrative Council. If endorsed, submits to VP for Administration and Finance (VPAF). If not, process goes back to step 1.
VPAF	11. Checks the IGP Forms. If in order, signs the certified correct portion and submits to the SUC President. If not, the process goes back to step 1 but skips step 4.
SUC President	12. Checks the IGP Forms. If in order, signs the certified correct portion and returns to the Head of Budgeting Services Unit. If not, the process goes back to step 1 but skips step 4.
IGP Forms	13. Submits the IGP Forms to the BOT Secretary with SDs, if applicable.

4.8.5. List of Forms

- 4.8.5.1.

Statement of Financial Position;
- 4.8.5.2.

Statement of Financial Performance;
- 4.8.5.3.

Statement of Changes in Net Assets/Equity;
- 4.8.5.4.

Statement of Cash Flows;
- 4.8.5.5.

Statement of Comparison of Budget and Actual Amounts
- 4.8.5.6.


Notes to the Financial Statements, comprising a summary of significant accounting policies and other explanatory notes.
- 4.8.5.7.

General Journal
- 4.8.5.8.


Cash Receipts Journal
- 4.8.5.9.

Cash Disbursements Journal
- 4.8.5.10.

Check Disbursements Journal

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- 4.8.5.11.** General Ledgers
- 4.8.5.12.** Subsidiary Ledgers
- 4.8.5.13.** Registries of Revenue and Other Receipts (RROR)
- 4.8.5.14.** Registry of Appropriations and Allotments (RAA)
- 4.8.5.15.** Registries of Allotments, Obligations and Disbursements (RAOD)
- 4.8.5.16.** Registries of Budget, Utilization and Disbursements (RBUD)
- 4.8.5.17.** Statement of Appropriations, Allotments, Obligations, Disbursements and Balances (SAAODB) – FAR No. 1
- 4.8.5.18.** Summary of Appropriations, Allotments, Obligations, Disbursements and Balances by Object of Expenditures (SAAODBOE) – FAR No. 1-A
- 4.8.5.19.** List of Allotments and Sub-Allotments (LASA) – FAR No. 1-B
- 4.8.5.20.** Statement of Approved Budget, Utilizations, Disbursements and Balances (SABUDB) – FAR No. 2 (for Off-Budget Fund)
- 4.8.5.21.** Summary of Approved Budget, Utilizations, Disbursements and Balances by Object of Expenditures (SABUDBOE) – FAR No. 2-A (for Off-Budget Fund)
- 4.8.5.22.** Aging of Due and Demandable Obligations (ADDO) – FAR No. 3
- 4.8.5.23.** Monthly Report of Disbursements (MRD) – FAR No. 4
- 4.8.5.24.** Quarterly Report of Revenue and Other Receipts (QRROR) – FAR No. 5
- 4.8.5.25.** Report of Collections and Deposits
- 4.8.5.26.** Report of Checks and ADA Issued
- 4.8.5.27.** Fund Utilization Form 1: Summary of Receipts and Expenditures for all Funds, By Program
- 4.8.5.28.** Fund Utilization Form 2: Report on Collection with Authority to Use and Actual Expenditures, By Campus
- 4.8.5.29.** Fund Utilization – Attachment 1: Summary of Physical Accomplishments as Supported by All SUC Funds
- 4.8.5.30.** Fund Utilization – Attachment 2: Specific Physical Accomplishments, By Campus
- 4.8.5.31.** Fund Utilization – Attachment 1: Status of Capital Outlay Projects
- 4.8.5.32.** IGP Form 1: Summary of Receipts and Expenditures from IGPs, By Campus
- 4.8.5.33.** IGP Form 2: Income Statement for Productive Ventures
- 4.8.5.34.** IGP Form 3: Income Statement for Rents and Leases
- 4.8.5.35.** IGP Form 4: Cash Flow Statement for all IGPs

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	Title: Liquidation of Fund Transfers

4.9 Liquidation of Fund Transfers

4.9.1. Objective

4.9.1.1. To provide procedural guidelines in liquidating fund transfers from external funding agencies of the College.

4.9.2. Scope

4.9.2.1. This covers fund transfers from National Government Agencies and private institutions treated as Trust Receipts.

4.9.3. Policy Statements

4.9.3.1. Trust Receipts. Receipts transferred to the College as trustee, agent, or administrator for the fulfillment of a particular obligation. Examples of which are fund transfers for R&D program, project or activity and scholarship grants.


4.9.3.2. Inter-Agency Transferred Funds (IATF). The following are the accounting policies for the transfer of funds:

4.9.3.2.1. A Memorandum of Agreement (MOA) shall be entered into by the SA and the IA for the undertaking by the latter of the project of the former. The MOA shall provide for the requirements for project implementation and reporting.

4.9.3.2.2. The fund to be transferred or sub-allotted to the IA shall be:
a) in an amount sufficient for three months operation subject to replenishment upon submission of the reports of disbursements by the IA, or b) the total project cost, as may be determined by the Heads of the two agencies in either case.

4.9.3.2.3. The check shall be issued in the name of the IA for deposit to its trust account in its authorized government depository bank. The IA shall issue its official receipt in acknowledgment.

4.9.3.2.4. Depending on the MOA, the fund transfers may be treated as:
a) If the MOA provides a condition that the fund shall be spent as specified and any excess shall be returned to the SA, the IA shall recognize the receipt of the fund as asset at its fair value with a corresponding liability, while the SA shall recognize a receivable

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corresponding to the fund transfer; or b) If the MOA provides stipulations or no condition, the IA shall recognize the receipt of the fund as asset at its fair value with a corresponding revenue, while the SA shall recognize an expense corresponding to the fund transfer.

4.9.3.2.5. A separate subsidiary record for each account shall be maintained by the IA whether or not a separate bank account is opened.

4.9.3.2.6. Within ten (10) days after the end of each month/end of the agreed period for the Project, the IA shall submit the RCI and the RCDIsb to report the utilization of the funds. Only actual project expenses shall be reported. The reports shall be approved by the Head of the IA.

4.9.3.2.7. The IA shall return to the SA any unused balance upon completion of the project, if stipulated in the MOA.

4.9.3.2.8. The SA shall draw a JEV to take up the reports. The amount to take up the liquidation in the RCI shall be net of the cash advances granted by the IA to its accountable officers.


4.9.3.2.9. The IA Auditor shall audit the disbursements out of the trust accounts in accordance with existing COA Regulations

4.9.3.2.10.The Chief Accountant/Head of the Accounting Division/Unit of the IA shall, on the basis of the Notice of Finality of Decision (NFD), record in the books of accounts any audit disallowance as receivable.

4.9.3.2.11. When the IA is a Bureau/Regional Office of the SA, the procedures for centrally managed projects shall be followed in accordance with entries herein provided.

4.9.3.3. Deadline of Liquidation. Deadline of liquidation as per the guidelines of recurring/common funding agencies are as follows:

Funding Agency	Report	Deadline	Responsible Office/Person
CHED	1. Report of Disbursements 2. Fund Utilization Report	30 days after the end of the contract	Finance Services Director and its Head of Units and, Project Team
DOST	1. Semi-Annual/Annual	30 days after the end of semester or 30 days after the end of the contract	Finance Services Director and its Head of Units and, Project Team


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	Financial Report (DOST Form 8) 2. Terminal Annual Audited Financial Report (DOST Form 16) 3. Schedule of Accounts Payable (DOST Form 9) 4. Report of Disbursement (DOST Format) 5. Report of Cash Disbursement- GAM Appendix 41 6. Report of Checks Issued- GAM Appendix 35		
CHED-Scholarships	1. Fund Utilization Report 2. Report of Checks Issued	60 days after the receipt of funds.	Finance Services Director and its Head of Units and, Scholarships & Grants Coordinator

4.9.4. Procedures

4.9.4.1. Liquidation of Fund Transfers


Area of Responsibility	Activity
<i>For recording to registries, refer to 4.8.4.1</i>	
Preparation of Liquidation Report	
Budget Officer	1. Prepares the Liquidation Reports in accordance with the policies of the funding agency concerned. 2. Prints the report in five copies and submits to the Head, Accounting Services Unit.
Head, Accounting Services Unit	3. Checks the Liquidation Report. If in order, signs certified correct portion and submits to the SUC President. If not, the process goes back to step 1.
SUC President/Authorized Representative	4. Checks the Liquidation Report. If in order, signs noted by portion and submits to the SUC President. If not, the process goes back to step 1
Budget Officer	5. Prepares transmittal letter and submits the Liquidation Report to COA Auditor for verification.

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Receipt of Audited Liquidation Report	
Budget Officer	<p>6. Receives three copies audited Liquidation Report and furnishes concerned offices</p> <p><i>Note 1 – Copy 1 for the Project Leader Copy 2 for the Bookkeeper Copy 3 for filing</i></p> <p><i>Note 2 – The Project shall incorporate the Liquidation Report to the Terminal Report and shall borne the responsibility to submit it to the Funding Agency.</i></p> <p>7. Endorses a copy to the Budget Staff for refund of unused funds, if applicable.</p> <p><i>Note 2 – The Head, Cashiering Services Unit shall be responsible for the payment of refund to the Funding Agency.</i></p>

4.9.5. List of Forms

- 4.9.5.1.** Report of Disbursements
- 4.9.5.2.** Fund Utilization Report
- 4.9.5.3.** Semi-Annual/Annual Financial Report (DOST Form 8)
- 4.9.5.4.** Terminal Annual Audited Financial Report (DOST Form 16)
- 4.9.5.5.** Schedule of Accounts Payable (DOST Form 9)
- 4.9.5.6.** Report of Disbursement (DOST Format)
- 4.9.5.7.** Report of Cash Disbursement- GAM Appendix 41
- 4.9.5.8.** Report of Checks Issued- GAM Appendix 35
- 4.9.5.9.** *Other Forms as may be required by the Funding Agency*

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Period	Particulars	Responsible Person/Office
Previous FY		
	Budget Proposal	
August	Mid-Year Planning and Evaluation	Planning and Budget Officers
September	Endorsement of projected income	Accountant
	Unit/Office Planning and Pre-Canvassing	Fund Managers
	Preparation of PPMPs and WFPs	Fund Managers
October	Feedbacking and consolidation	Fund Managers, Planning and Budget Officers
	Preparation of APP, PRE and Annual Operating Plan	Planning and Budget Officers
November - December	Budget Authorization	
	Administrative Council Meeting	
	BOT Finance Committee Meeting	
	BOT Meeting	
	Budget Implementation	
	Endorsement of approved PPMPs	Planning and Budget Officers
	Early procurement activities	Fund Managers
Current Year		
May	Revision of PPMPs	Fund Managers
Jun-30	Last day of submission of Purchase Requests for funds available	Fund Managers
Sep-30	Last day of submission of Purchases Orders for funds available	PSU
Oct-30	Last day of obligation of Purchase Orders	PSU
First working day of December	Cut-off of granting Cash Advances for travels and operating expenses	All Concerned Accountable Officers
Second Friday of December	Deadline of submission of computations/payrolls of salaries, wages, bonuses and other compensations for funds available	HRMO
Five working days before Dec 24	Last day of disbursements	Finance

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Last working day of the year	Deadline of submission of Liquidation Reports	All Accountable Officers
Subsequent Year		
Fifth working day of January	Last day of obligation of Current Year's transactions	All Concerned Officers and Employees

The following transactions are exempted from the cut-offs of Purchase Requests and Purchase Orders:

1. All expenditures of externally funded projects, programs and activities;
2. Meals and snacks;
3. Perishable items; and
4. Projects, programs and activities needing clearance from higher authorities and with schedule dependent to uncontrollable factors.