



FINANCE CIRCULAR NO. FY05-007

For : Division Heads; Group Heads; STI-HQ Personnel

**Subject : Revised Policy on Request for Cash Advance for
Travel Allowance (CATA) for Local Business Trip**

Date : February 16, 2005

The revised policy on Request for Cash Advance for Travel Allowance (CATA) aims to improve and update the existing guidelines. It also aims to set the ceiling and reconsider the allowances given to employees during travel for Official Business (OB) within the Philippines (local). Thus, the following are hereby adapted:

Section 1 : Coverage

1. The revised CATA applies to all STI-HQ employees with official business appointment, trip or event within the Philippines.
2. STI-HQ employees who are deployed in schools are likewise covered by this circular except that their CATA request will originate from the school where they are deployed.
3. Official business appointment, trip or event (hereinafter referred to as OB) refers to a function outside STI-HQ premises that the employee has to attend, with the approval of the Group Head, Division Head, COO, or the President/CEO of STI.
4. The request for travel shall be supported by the approved CATA form. (See attached *CATA Form 02.2005*)
5. This circular does not cover the following personnel:
 - a. Speakers and entertainment artists or talents with professional fees during events, unless stipulated in the contract;
 - b. Technical support personnel who are not employees of STI-HQ;
 - c. STI-HQ employees deployed in STI-Makati since they are covered by the CATA policy for schools; and
 - d. Non-STI employees involved in the OB.
6. Expenses related to the OB to be incurred by non-STI employees shall be covered by a Request for Cash Advance (RCA) and shall not form part of the CATA.

Section 2 : Travel allowances

1. ONE-DAY OB

A. Travel allowance

- 1) For in-land travel, the following shall be observed:
 - a. The travel allowance for one day official trip by land shall be applicable to areas of Metro Manila and Luzon.
 - b. A travel allowance of P200.00 shall be given to non-executives, while P150.00 shall be given to Area Managers and Delivery Personnel. This allowance shall cover meals and other incidental expenses pertaining to OB subject to detailed liquidation and presentation of original Official Receipts (OR/s).
 - c. The nature of work of the Area Managers and Delivery personnel requires them to work outside of HQ premises most of the time, hence, the amount of P150.00 is intended to subsidize the cost of meals and cover other expenses related to travel.
 - d. Executives shall be given P500.00 allowance subject to liquidation and presentation of receipts.
 - e. The allowable expenses for liquidation purposes shall be the actual amount appearing on the OR/s and other supporting documents but not exceeding the ceiling of P200.00 and P150.00 as mentioned above for non-executives and area managers and delivery personnel, respectively. The same shall apply to the P500.00 allowance given to executives.
- 2) For one day travel by air, that is, fly-in fly-out OB, the travel allowance shall be as follows, subject to detailed liquidation and presentation of OR/s:

STAFF	MANAGER	EXECUTIVE
P 1,600.00	P 2,000.00	P 3,000.00

- 3) The rates in no. 2) above are inclusive of the P600.00 fixed transportation to and from the airport, transportation within the area, and the P200.00 terminal fee allowance.

B. Transportation allowance

- 1) This refers to the allowance for transportation expenses through other means of transportation except by plane to be incurred in going to and from the area of OB.
- 2) The allowance shall be advanced based on the estimated actual amount of transportation expense to be incurred but not exceeding P1,000.00.

- 3) The said allowance is subject to detailed liquidation e.g. route and presentation of fare tickets or receipts.
- 4) If the employee opts to use his personal vehicle or vehicle under the STI car plan, then the gasoline reimbursements as provided for in *Finance Circular FY05-006 on Gasoline Reimbursement* may be advanced. Estimated toll fees may also be advanced.
- 5) If the company vehicle will be used in the OB, no transportation allowance shall be advanced since the cost is covered by the gasoline fleet card of FAM group. However, the actual cost of fuel shall be charged to the department concerned.
- 6) The requesting department shall furnish FAM with the list of employees who will use the company vehicle. Upon approval of the reservation, FAM shall forward the request to Finance Division for validation.
- 7) Car-pooling shall be applied, whenever possible, to save on cost. In case company vehicles are to be used, FAM shall see to it that the practice of car-pooling is observed at all times.
- 8) If a vehicle will be rented (V-hire), the amount to be advanced shall depend on the customary rental rates on the area, provided a document specifying arrangements made can be presented with the list of employees who will use the V-hire.

2. MORE THAN A DAY OB

A. Accommodation

- 1) STI-HQ shall establish accreditation arrangements with designated hotels in the area of STI schools. The list of accredited schools can be obtained from Procurement Department. The list shall also be updated by the said department from time to time.
- 2) The accommodation expenses of Executives shall be the actual room rates of their preferred rooms and hotels befitting their professional standing as representatives of the Company.
- 3) For Managers and Staff, the amount of accommodation shall be the agreed rate for a standard room in an accredited hotel offering the lowest/lower rate within the area of OB depending on the availability. However, upgrading of room accommodation in non-accredited hotels will be allowed in special cases upon endorsement of the Group Head/Division Head (i.e. when accredited hotels are fully booked). Therefore, the non-accredited hotel's rate shall be the actual accommodation expenses.
- 4) In case of big events, consultations or conferences and when a number of employees will go to the same area, the accommodation shall be billed by the hotel and not advanced. The same holds true if the accredited hotel in the area of the OB has a billing and credit agreement with STI-HQ.
- 5) The rates for the accommodation allowance per day shall be as follows, subject to detailed liquidation and presentation of receipts which shall indicate the inclusive dates of accommodation:

STAFF	MANAGER	EXECUTIVE
P 1,000.00	P 1,500.00	P 2,500.00

- 6) Employees who opt to stay with relatives or friends shall indicate the same in the CATA form and shall be advanced the amount of P200.00 per day in lieu of the cost of accommodation, without the need for submission of OR/s.
- 7) The facilities of the staff house shall be used whenever available.

B. Travel allowances

- 1) This shall cover meal allowances and transportation within the area of OB and subject to detailed liquidation and presentation of OR/s.
- 2) The rate per day for travel allowance shall be as follows:

STAFF	MANAGER	EXECUTIVE
P 800.00	P 1,000.00	P 1,500.00

- 3) The allowable expense for liquidation purposes shall be the actual amount in the OR and other supporting documents.
- 4) The date and place shown in the OR shall correspond to the inclusive dates and place of OB.
- 5) Changing of scheduled dates of the approved CATA shall require an endorsement of the Group Head and notice to Finance Division prior to the commencement of the OB.

C. Transportation allowance

- 1) This refers to the allowance for transportation expenses to be incurred in going to and from the area of OB.
- 2) The allowance shall be advanced based on the estimated actual amount of transportation expense to be incurred but not exceeding P1,000.00.

D. Representation Allowance

- 1) Representation allowance may be provided to Managers and Executives upon request and approval of the Group Head/Division Head as a provision for anticipated expenses during meetings with STI Franchisees' CEO/COO and other key personnel, CHED, TESDA, DepEd representatives or prospective franchisee/s.
- 2) The allowance per CATA, regardless of the duration of the OB, shall be P1,000.00 for managers and P2,000.00 for executives.
- 3) The allowable expense for liquidation purposes shall be the actual amount in the OR/s.
- 4) The name, designation and Company of the person/s (to be) entertained should be indicated and properly justified on the CATA and Trip Expense Report/CATA liquidation.

E. Fixed Transportation and Terminal fee

- 1) A fixed transportation allowance (FTA) of ₱600.00 shall be given to cover transportation expense from STI-HQ to airport terminal or vice-versa. It is understood that employees who are traveling as a group can claim for one FTA only. The Department Head shall ascertain whether the employees can claim the FTA as a group or individually.
- 2) In all instances, the point of origin shall always be STI-HQ except:
 - a. When the point of destination is closer to the residence of the employee; or
 - b. When traveling within the VISMIN areas; or
 - c. Travels of STI-HQ employees deployed in school, in which case the point of origin is the base school.
- 3) A ₱200.00 cash advance for the terminal fee shall be given subject to liquidation and submission of terminal fee tickets.

F. Incidental expense allowance

- 1) Incidental expense allowance shall be granted upon request to accommodate unforeseen expenses attributed to OB.
- 2) The amount to be advanced for every OB trip per request shall be ₱500.00 subject to liquidation and submission of OR/s.

G. Airplane tickets

- 1) Purchase of airplane tickets shall be made by the Procurement Group. It must be supported by photocopies of the approved CATA and RFA, if applicable.
- 2) Area Managers deployed in the VisMin areas may advance the cost of the plane tickets in the CATA. They may purchase their tickets provided that the same shall be attached to the Trip Expense Report (TER).
- 3) A copy of the boarding pass shall also be attached to the TER for validation of the OB.
- 4) Re-booking fees will be charged to the employees unless properly justified.


Section 3 : Liquidation

1. The TER must be submitted to Finance Division within five (5) working days after the OB is completed or upon return to STI-HQ, whichever comes first, unless otherwise justified.
2. Failure to liquidate within the five (5) working day period shall mean automatic salary deduction. The employee shall be advised by e-mail on the amount of the deduction to be effected each payroll period.
3. All expenses related to travel by the STI-HQ employee shall be reimbursed only at STI-HQ.
4. In case of a multiple continuous travel, it is understood that the CATA will be liquidated after completion of the entire trip.

5. Failure to liquidate CATA previously availed shall not entitle the employee to another cash advance. It is understood that the liquidation report shall be reviewed and approved by Finance Division before another cash advance is released.
6. If the OB is cancelled or re-scheduled, the cash advance shall be returned in full within five working days from the date of cancellation or from the original date of OB, except when the trip is rescheduled within a two week period. Further cancellation shall mean preparation of another CATA request.

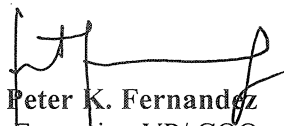
Section 4 : Effectivity

1. The provisions of existing policies inconsistent with the foregoing guidelines are hereby amended.
2. These guidelines shall take effect starting February 16, 2005.

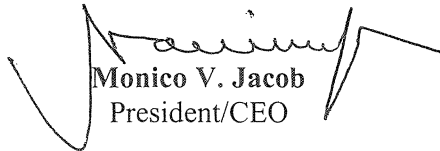

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