



OFFICE OF THE VICE CHANCELLOR FOR ADMINISTRATION
UNIVERSITY OF THE PHILIPPINES LOS BAÑOS

3/F Bienvenido M. Gonzalez Hall, UP Los Baños, College, Laguna 4031 Philippines
+63 49 536 3468 | ovca.uplb@up.edu.ph | www.uplb.edu.ph

20 September 2022

MEMORANDUM NO. 33

Series 2022

TO : All Concerned Employees

SUBJECT: Granting and Liquidation of Cash Advances

This memorandum is being released in relation to the issued Audit Observation Memo No. 2022-006 of the Commission on Audit (COA) to the University.

Item No. 5 – Liquidation of Cash Advances, COA Circular No. 97-002 dated 10 February 1997, specifically mentioned that, “5.8. All cash advances shall be fully liquidated at the end of each year. Except for petty cash fund, the Accountable Officer shall refund any unexpended balance to the Cashier/Collecting Officer who will issue the necessary official receipt.”

In view of this, the Accountable Officer¹ shall liquidate his/her cash advances within the reglementary period as provided under COA Circular No. 2012-001 dated 14 June 2012, to wit:

Purpose	Reglementary Period
Local Traveling Expenses	within thirty (30) days after return of the official/employee to his permanent official station
Foreign Traveling Expenses	within sixty (60) days after return of the official/employee to the Philippines
Petty Cash Fund (PCF)	as soon as the disbursements reach 75% or as needed
Special Purpose	as soon as the purpose of the cash advance has been served
Supplies (RFID, Vehicle Registration and Insurance, and other similar payments)	within thirty (30) days after the latest official receipt

¹ **Accountable Officer** – refers to a public officer or employee who, in the discharge of his office, receives money from the government which he is bound to later account for. Transfer, separation, or retirement from the government does not operate to discharge the said person from coverage of the definition and corresponding duty to account for the unliquidated cash advances. (Source: COA Circular No. 2012-004 dated 28 Nov. 2012)

Officials and employees who failed to liquidate all cash advances within the reglementary period, shall not be entitled to the Performance Based Bonus (PBB) as provided for under Sec. 6.16 of AO 25 IATF MC No. 2022-1 dated 24 March 2022 and suspension of payment of salary under Section 5 of COA Circular No. 97-002 dated 10 February 1997.

All cash advances granted within the calendar year, **except for fellowship grants whose purpose will be fulfilled upon the end of its study period or upon actual return to his permanent official station**, shall be fully liquidated² at the end of the year following the said reglementary period. To meet the deadline for liquidation, the Accounting Office shall only process the granting of cash advances until the following cut-off periods:

Purpose	Cut-off Period	Deadline of Liquidation
Local Traveling Expenses	Last travel period/return to permanent official station shall be until December 1 only	December 31 of the same calendar year
Foreign Traveling Expenses	Last travel period/return to permanent official station shall be until November 1 only	December 31 of the same calendar year
Petty Cash Fund (PCF)/ Special Purpose	Granting of cash advances shall be made until December 1 only	December 31 of the same calendar year
Supplies (RFID, Vehicle Registration and Insurance, and other similar payments)	Granting of cash advances shall be made until November 1 only	within thirty (30) days after the latest official receipt, or until December 31 only, whichever is earlier

Further, **the Accounting Office shall only accept the liquidation reports before the start of the mandatory break in December of every year** to ensure timely liquidation of cash advances.

For inquiries, you may contact Ms. **Abbie Lynn S. Manongsong** of the Accounting Office at tel. no. 596-0173; 536-1845 or email accounting.uplb@up.edu.ph.

For guidance and strict compliance.



ROLANDO T. BELLO
Vice Chancellor

² **Fully Liquidated** – refers to the recording of the liquidation documents in the books of account after all expenses related to the utilization of cash advances have been verified and accounted for, and any unexpended balances have been refunded to the Cashier's Office which shall be supported by the Official Receipt. (Source: COA Circular No. 96-004, dated 19 Apr. 1996)