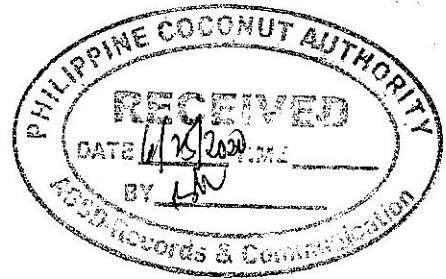




REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF AGRICULTURE
PHILIPPINE COCONUT AUTHORITY
Elliptical Road, Diliman, Quezon City 1101 Philippines
Tel. Nos.: (02) 8928-4501 to 09 Fax No.: (02) 8926-7631
<http://www.pca.da.gov.ph>



01 June 2020

CORPORATE ORDER NO. 01
Series of 2020

This is to amend the Policy Guidelines in the Maintenance of Petty Cash and Revolving Fund, with particular attention to: item "C, Maximum Amount to be Drawn or Paid from Petty Cash Fund"

Thus, in view of the rising prices and cost of commodities, the maximum single disbursement limit is hereby increased from P5,000.00 to P10,000.00 effective June 1, 2020.

This is within the limit set by the Commission on Audit as per COA Circular 2012-001 as amended by COA Circular 2016-002.

All other provisions under the attached policy guidelines are hereby reiterated in furtherance of a sound internal control system.

This Order takes effect immediately and shall remain in force unless sooner revoked or superseded.


BENJAMIN R. MADRIGAL, JR.
Administrator

CONTROLLED





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PETTY CASH AND REVOLVING FUNDS DISBURSEMENT AND REPLENISHMENT

A. GENERAL POLICY

1. All expenditures of the Authority shall be paid through checks. However minor and recurring day to day expenditures may be paid through the Petty Cash/Revolving Fund.
2. The Petty Cash Custodian and all designated disbursing officers/revolving fund custodian shall be responsible for the proper disbursement and maintenance of the funds.
3. All Petty Cash/Revolving Fund Custodians shall be appropriately banded, pursuant to COA rules and regulations.

B. GUIDELINES AND INTERNAL CONTROL FEATURES

1. The Petty Cash Fund and/or Revolving Fund shall be maintained at an amount to be determined by the Administrator depending upon the necessity of minor and recurring expenses of the office/unit.
2. The fund shall be kept under the imprest system. At any given time, the Fund/s set-up shall equal the sum of the unreplenished Petty Cash/Revolving Fund Vouchers (PCV/RPV), unliquidated cash advances plus the remaining cash in the Fund/s.
3. The Petty Cash/Revolving Fund Custodian shall record and maintain a Petty Cash Book and shall maintain a cash box (with lock) and the box keys shall be kept in a secured place. Access to the funds shall be restricted only to the custodian. At the end of every month the Cash Book shall be footed, ruled, balanced and certified as to correctness by the Custodian.
4. All payments made from the petty cash fund shall observe the following:
 - 4.1 Petty Cash Voucher is duly certified by the authorized officer;
 - 4.2 That the petty cash voucher contains complete explanation of the expenses;
 - 4.3 That the payee signs the petty cash voucher upon receipt of the petty cash;



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- 4.4 That all petty cash vouchers including supporting receipts/documents are stamped "Paid" when completed and paid;
- 4.5 That employees with outstanding petty cash advances shall not be granted additional cash advances;
- 4.6 That petty cash advances shall be liquidated within four (4) days from date of payment;
- 4.7 That non-liquidation of petty cash advance within the prescribed period shall be sufficient ground for administrative action against the employee concerned;
- 4.8 That no petty cash advances shall be granted on Fridays; and
- 4.9 That no amount from the Fund shall be used to reimburse travelling expenses;
5. The Fund shall always be physically segregated from the Custodian's personal and other cash funds.
6. The Fund shall not be used to accommodate personal and company checks.
7. Liquidation reports for the advances taken from the Funds shall be reviewed and approved by authorized officer.

C. MAXIMUM AMOUNT TO BE DRAWN OR PAID FROM PETTY CASH FUND

A maximum single disbursement limit of P10,000.00 shall be set and may be drawn as petty cash advance or reimbursement whichever is applicable. All non-recurring disbursements exceeding this limit shall always be made through check payments.

D. EXPENSES THAT SHALL BE ALLOWED TO BE PAID FROM THE PETTY CASH FUND/REVOLVING FUNDS

1. Grocery items and meals for the Offices of Administrator, Corporate Secretary, Deputy Administrator and Auditor, which amount shall be within the allowable monthly limit.
2. Emergency purchases for office supplies/materials which cost is within the allowed limit to be drawn from the petty cash fund and which could not be stored or stocked at the Property Division such as shellane gas and other flammable items which are used by the Laboratory, repairs and maintenance of vehicles which shall at all times be made through check payments.





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E. NARRATIVE PROCEDURES

1. Originating Units

Originating units prepares Petty Cash Voucher (attached revised copy) by giving brief but accurate explanation of expenses. If required and applicable, the following documents shall be attached to the Petty Cash Voucher:

1.1 Petty Cash Advances

- a. Approved Purchase Request
- b. canvass
- c. abstract of canvass

1.2 Reimbursements

SUPPLIES

- a. Duly approved purchase requests
- b. canvass
- c. abstract of canvass
- d. invoice and official receipts
- e. merchandise received report
- f. acceptance of end users
- g. inspection report
- h. waster material report (if necessary)
- i. Duly approved Purchase Order (P.O.), if applicable and necessary

- 2. Forwards duly approved petty cash advance/reimbursement voucher and other supporting documents to Budget Division.

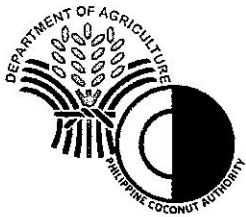
II. BUDGET DIVISION

- 1. Verifies expenditures if within budget
- 2. Certifies as to availability of funds
- 3. Returns petty cash advance/reimbursement voucher to originating units/payee

III. PETTY CASH CUSTODIAN

- 1. Receives duly approved, funded and fully accomplished Petty Cash Voucher with supporting documents and in cases of reimbursements shall examine the validity, appropriateness of the receipt as well as the





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completeness, correctness and accuracy as to mathematical computation.

2. Determines availability of cash on hand for cash requirements.
3. Assigns number in numerical sequence to the Petty Cash Voucher.
4. Hands cash and duplicate copy of the petty cash voucher and the original supporting documents in case of advances to the payee. In cases of reimbursements, the original copies of the petty cash voucher and all supporting documents shall be retained by the petty cash custodian. Petty cash vouchers and all supporting documents shall at all times be stamped "Paid" after payment by Fund custodian.
5. Records transaction in the cash book.
6. Maintains a file in numerical sequence for numbered original copies of petty cash voucher paid and in cases of advances, a duplicate copy of the purchase request. However, for reimbursements original copies of the supporting documents shall be retained and filed by the petty cash custodian. Petty cash vouchers shall be filed in numerical order to provide easy access for liquidation of advances and for replenishment purposes.

F. LIQUIDATION OF PETTY CASH ADVANCES

Petty Cash advances shall be liquidated within four (4) days upon receipt of payment by surrendering to the Petty Cash Custodian, the duplicate copy of the petty cash voucher and all the original supporting documents.

The petty cash custodian shall see to it that the original petty cash vouchers in her/his file are properly and completely accomplished before it's submitted for replenishment.

G. REPLENISHMENT

In order not to disrupt petty cash payments and provide continuous availability of cash for petty expenses allowed to be drawn from the petty cash fund, the Petty Cash Custodian shall ensure that adequate cash/funds are available at all times. Replenishments shall be made immediately as the need arises by accomplishing the following:

1. A duly certified Statement of Disbursement (Sample attached) with paid petty cash vouchers listed in numerical order, indicating PCV no., date and number of official receipt, amount and applicable expense accounts under which payments were made.



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2. Disbursement Voucher with the duly certified Report of Disbursement with complete supporting documents for each petty cash voucher.
3. Disbursement Voucher as indicated in number G.2 shall be properly certified by the authorized signatory before it is forwarded to the Financial Department (Budget Division, Accounting Division and Finance Manager) following the order of processing and ultimately to the Collection and Disbursement Division for check Preparation.

For the Period

[illegible]

Certified Correct:

Accountable Officer