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Department of Environment and Natural Resources
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MEMORANDUM

TO : All Staff Bureau Directors
FMB, LMB, BMB and ERDB

All Regional Executive Directors
CAR, NCR, Regions 1-13

All PENROs

FROM : The Undersecretary
Finance, Information Systems and Climate Change

SUBJECT : **IMPLEMENTING THE STANDARD OPERATING PROCEDURES ON THE MONITORING AND REQUEST FOR AUTHORITY TO WRITE-OFF OF DORMANT RECEIVABLE ACCOUNTS, UNLIQUIDATED FUND TRANSFERS AND CASH ADVANCES**

DATE : **OCT 26 2023**

In the CY 2022 DENR Consolidated Annual Audit Report issued by the Commission on Audit, the unliquidated fund transfers to Implementing Agencies, Non-Government Organizations (NGOs), and Civil Society Organizations, and Cash Advances are not fully liquidated and accumulate to prior years' unliquidated balances. Portions of the prior years' balances have been non-moving for more than ten (10) years.

According to the COA report, the reasons for the non-liquidation of the fund transfer are:

- a. Failure of the IAs to perform its obligations as stipulated in the Memorandum of Agreement;
- b. Suspension of Projects;
- c. Absence of liquidation Reports;
- d. Failure to monitor the status of fund transfers at the time it was due for liquidation
- e. Non-enforcement of settlement/liquidation of outstanding cash advances within the prescribed period.

To address these issues, the monitoring of these transactions is essential together with our compliance with COA Circular 94-013¹, dated December 13, 1994, regarding fund transfers, COA Circular 97-002² dated February 10, 1997, on cash advances, and COA Circular

¹ Rules and Regulations in the Grant, Utilization and Liquidation of Fund Transferred to Implementing Agencies

² Restatement with amendments of the rules and regulations on the granting, utilization and liquidation of cash advances provided for under COA Circular No. 90-331 dated May 3, 1990.

No. 2016-005³ dated December 19, 2016, on the request for write-off of dormant receivable accounts, unliquidated fund transfers and cash advances.

To standardize our action and guide our accountants, the attached Standard Operating Procedures on the Monitoring and Request for Authority to Write-off of Dormant Receivable Account, Unliquidated Fund Transfers, and Cash Advances is adopted.

All offices are encouraged and exert efforts to comply with the requirements for those dormant unliquidated cash advances and fund transfers that remained non-moving for ten (10) years or more and where settlement/collectability could no longer be ascertained and file the request for write-off.

For information and compliance.


ATTY. ANALIZA REBUELTA-TEH

MEMO NO. 2023-928

³ Guidelines and Procedures on the Write-off of Dormant Receivable Accounts, Unliquidated Cash Advances, and fund Transfers on National Government Agencies (NGAs), Local Government Units (LGUs) and Government-Owned and Controlled Corporations (GOCCs)