




**OP Memorandum No. 461**

Series of 2024

TO: **Nick Freddy R. Bello, Accounting OIC Head**

RE: **Actions Required for the Liquidation and Settlement of Cash Advances**

FROM:   
**DR. PROSE IVY G. YEPES**  
University President

DATE: **May 23, 2024**

In reference to the Audit Observation Memorandum (AOM) No. 2024-007 dated May 13, 2024, issued by the Commission on Audit (COA), it has come to our attention that cash advances totaling Php 9,982,100.18 granted to various officers and employees of the University remain unliquidated. This is contrary to the provisions of Presidential Decree (PD) No. 1445 and COA Circular No. 97-002. Consequently, this has resulted in the overstatement of our assets and the understatement of our expense accounts in the financial statements, while also exposing government funds to risks of misappropriation and loss.

In light of the above, you are directed undertake the following actions:

1. Issue demand letters to all accountable officers and employees requiring urgent liquidation or settlement of their due and demandable cash advances. Please inform them that failure to comply will result in the withholding of their salaries and other claims equivalent to the unsettled amount.
2. Ensure that all cash advances and their subsequent liquidations are properly recorded in the Index of Payments, including any refunds and reimbursements.
3. Ensure strict adherence to the provisions of PD No. 1445 and COA Circular No. 97-002 regarding the grant, utilization, and liquidation of cash advances to prevent the incurrence of long-outstanding cash advances.

**OFFICE OF THE PRESIDENT**

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Further, please be informed that the COA is expecting your immediate action on the foregoing audit observations.

For your information and usual compliance.

Cc: File  
VPAF  
Audit Team Lead