



**INTER-AGENCY TASK FORCE
ON THE HARMONIZATION OF NATIONAL GOVERNMENT PERFORMANCE
MONITORING, INFORMATION AND REPORTING SYSTEMS**
(Administrative Order No. 25 S. 2011)

MEMORANDUM CIRCULAR NO. 2012-02-A

October 31, 2012

TO : All Heads of Departments, Bureaus, Offices and other Agencies of the National Government, including State Universities and Colleges, and Government-Owned or-Controlled Corporations

SUBJECT: Amendment to MC 2012-02 on Guidelines to Clarify the Good Governance Conditions for Fiscal Year 2012 in Line with the Grant of the Performance-Based Bonus under Executive Order (EO) No. 80

This Memorandum Circular (MC) amends Section 4.5d and 4.5e and Annex 3 of MC 2012-02 as follows:

4.5 Governance Condition 3 – Cash Advance (CA) Liquidation

- d. Departments/Agencies and attached agencies are given a grace period to comply with this condition for the non-liquidated cash advances since the beginning of the year up to **November 30, 2012.**
- e. Departments/Agencies including attached agencies will be verified by November 30, 2012 as CA Liquidation compliant through a report on ageing of cash advances classified by category (**local travel, foreign travel and special activities/projects**) as of November 30, 2012 certified by the Chief Accountant and approved by the Head of the Agency as in Annex 3. The Department/Agency should certify the liquidation of cash advances of all bureaus and regional/field offices within the Department. Heads of attached agencies, through their finance offices, shall prepare a separate report on ageing of cash advances following the template in Annex 3 and submit the same to their supervising Department. Compliance to this condition shall also be validated with COA.

For your guidance.

FLORENCIO B. ABAD

Secretary, Department of Budget and Management
and Chairman, AO 25 Inter-Agency Task Force

Annex 3- Report on the Aging of Cash Advances

Schedule of Advances to Officers and Employees

As of _____

Agency Name: _____

Agency Code: _____

Book Title: _____

Account Title: _____

Account Code: _____

Name	Particulars	Reference (Check No. & Date)	Total Amount	Amount Due				Remarks
					Less than 30 days	31-60 days	61-365 days	
Advances for Travel and Special Purposes								
1. Local Travel								

2. Foreign Travel								

3. Special Activities/ Projects								

Totals								

Certified Correct:

Head, Accounting Office

Approved by:

Agency Head