



Department of Transportation and Communications  
**HEADQUARTERS PHILIPPINE COAST GUARD**  
139 25th Street, Port Area  
1018 Manila



CGAO/CG-6

06 November 2009

STANDING OPERATING PROCEDURE)

NUMBER 11-09 )

**MANAGEMENT AND UTILIZATION OF THE  
OPERATIONAL SUPPORT FUND (OSF) FOR PCG OPERATING UNITS**

1. **OBJECTIVES:**

- a. To allocate an Operational Support Fund (OSF) to all PCG operating units to ensure that funds are available for their Over-the-Counter Purchases (OCP) of supplies/materials/services that are not readily available at their responsible supply offices and/or SAO warehouse.
- b. To afford the flexibility for operating unit Commanders in maintaining their minimum operational readiness requirements for rapid deployment and strategic positioning of their limited assets.
- c. To prescribe a set of procedures in the management of Operational Support Funds given to PCG operating units for their OCP requirements.

2. **DEFINITION OF TERMS:**

- a. Operational Support Fund – fund received by the duly designated Agent Officer (AO) from the Special Disbursing Officer (SDO), to support the emergency requirements of respective units or such other requirements not readily available in the Districts/Major Units supply offices.
- b. PCG Operating Units – the PCG Stations, Detachments, and other equivalent units considered as third and lower level PCG units directly engaged in the conduct of PCG functions at the tactical level and such other units in the technical service performing support functions to PCG operating units. They also refer to the units allocated/programmed to receive OSF.



c. Over-the-Counter Purchase (OCP) – mode of procurement of low-valued and urgent operational requirements such as supplies, materials, and non-personal services that are indispensable to the continuous conduct of tasks of PCG operating units.

d. CG Districts/Major Units – the designated procuring entities to which the PCG operating units are administratively assigned.

e. Agent Officer – duly designated personnel assigned at a PCG operating/support unit who is authorized to received the fund from the SDO and is responsible for the proper utilization and liquidation of such fund.

f. Special Disbursing Officer (SDO) – is an officer authorized and duly bonded to apply for cash advances charged against the MOOE allocation of the District/Major Unit concerned to support its OSF requirements. The SDO shall also be the SDO for MOOE of the concerned District/Major Unit.

### 3. POLICIES:

a. The OSF shall be utilized in accordance with SOP Nr 001-09 DATED 08 April 2009 on "Cash Advance of Special Disbursing Officers " to ensure unhampered activities of the operating units, the Command should practically as possible prioritize the granting of cash allocation to the programmed OSF.

b. The Command shall program and allocate OSF for all PCG operating units in line with the efficient and effective logistics system. This program shall be a basic part of the PCG Annual Program and Budget (APB). The allocation of OSF shall at no time be lower than the allocation made during the previous fiscal year. Subsequently, OSF shall not be realigned/reallocated by the concerned District/Major Unit for other purposes other than its intended purpose.

c. The OSF shall be released on a monthly basis as a Direct Support Fund (DSF) for subsequent distribution to pre-identified operating units through their respective Agent Officers designated for the purpose.

d. The OSF shall be strictly utilized to purchase small and low-valued items and services that are emergency in nature and which could not be immediately provided by the concerned District/Major Unit or the PCG SAO at the time of the need and are necessary for the conduct of maritime safety, maritime security and marine environmental protection. Further, the OSF shall not be utilized for the settlement of regular mandatory expenses such as electric and water utilities, POL, any form of subscriptions, rentals, insurance and registration of government vehicles, travels and other personal services.



e. All transactions of the OSF must be supported by acceptable evidence of receipt of payment as provided in COA Circular Nr. 2004-006 dated 09 September 2004. Acceptable evidence of payment, in whatever form, must contain the following minimum information as follows:

- 1) Name of Disbursing Officer making the payment;
- 2) Date of Payment;
- 3) Name of Recipient;
- 4) Address of the Recipient;
- 5) Purpose of the Payment; and
- 6) Amount of the Payment Received

f. Transfer of OSF from one Agent Officer to another is not allowed. Release of succeeding OSF allocations to Agent Officers shall be subject to existing rules and regulation on cash advances wherein prior OSF shall be settled before the release of the succeeding OSF. Unsettled cash advances for a particular monthly OSF allocation shall be a ground for non-release of succeeding OSF. Unsettled cash advances at the end of current fiscal year shall be deducted from his/her pay and allowances due notice from the SDO.

#### 4. PROCEDURES:

a. HPCG shall release the programmed OSF on a monthly basis to the concerned District/Major Unit.

b. All transactions must be recorded in a separate OSF Cash Book that will be maintained by the Agent Officers for the purpose.

c. Release of subsequent OSF to Agent Officers will be done only after the submission of the liquidation instruments/clearing documents of the previously released OSF.

d. SDOs/AOs shall submit their liquidation of cash advances in accordance with COA Circular Nr. 90-331 dated 03 May 1990 and such other accounting and auditing provision that may be imposed.

#### 5. RESPONSIBILITIES:

a. Operating Unit Commanders shall ensure that the OSF will be utilized strictly for its intended purpose only.

b. CG-3, CG-4, CG-6, CG Procurement Service and CGIA shall, from time to time or upon the recommendation of the District/Major Unit Commanders, initiate a review on the allocations and programs to ensure that they remain responsive to the needs of the operating units.

c. CGIA shall conduct random cash examinations/audit to SDO's and AO's to ensure funds are utilized for its intended purposes

d. CG-6 shall be responsible for the proper implementation of this SOP and shall ensure that funds are made available to support the annual OSF program.

6. RESCISSION:

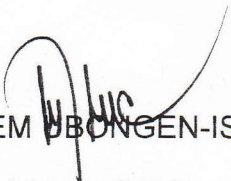
All publications in conflict with this SOP are hereby amended and modified accordingly.

7. EFFECTIVITY:

This SOP is effective upon approval and publication.

BY COMMAND OF ADMIRAL TAMAYO:

OFFICIAL:

  
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