



Republic of the Philippines  
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS  
**CENTRAL OFFICE**  
Manila

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DEPARTMENT MEMORANDUM )  
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CIRCULAR NO. 48 )  
Series of 2023 July 21/2023

**FOR/TO : SENIOR UNDERSECRETARY**  
**UNDERSECRETARIES**  
**ASSISTANT SECRETARIES**  
**REGIONAL DIRECTORS**  
**BUREAU DIRECTORS**  
**SERVICE DIRECTORS**  
**HEADS OF UPMOs**  
**DISTRICT ENGINEERS**  
**HEADS OF ATTACHED AGENCIES**  
**OTHERS CONCERNED**  
This Department

For information and guidance, attached is a copy of **COA Circular No. 2023-005** dated July 10, 2023 signed by COA Chairperson Gamaliel A. Cordoba and COA Commissioners Roland Café Pondoc and Mario G. Lipana, with the subject: **"GUIDELINES, PROCEDURES AND DOCUMENTARY REQUIREMENTS ON THE FILING AND ADJUDICATION OF MONEY CLAIMS DUE FROM THE GOVERNMENT OR ANY OF ITS SUBDIVISIONS, AGENCIES AND INSTRUMENTALITIES"**.

A copy of the said Memorandum Circular may also be downloaded from the DPWH website: <http://dpwhweb>. If an office cannot access the DPWH website, a hard copy may be obtained from the Records Management Division, HRAS, upon request.

For dissemination to all concerned.

  
**MARICHU A. PALAFOX, CESO II**  
Assistant Secretary for Support Services

Encl: As stated

cc: Office of the Secretary

10.1.4 JVL/RAG/VGV



Republic of the Philippines  
**COMMISSION ON AUDIT**  
Commonwealth Avenue, Quezon City, Philippines

**CIRCULAR**

No. : 2023-005  
Date: JUL 10 2023

**TO :** All Heads of Departments, Agencies, Bureaus, Commissions, Boards and Offices of the National Government; State Universities and Colleges; Local Government Units; Government Owned and Controlled Corporations; Commission on Audit Assistant Commissioners, Directors and Auditors; and All Others Concerned

**SUBJECT:** Guidelines, Procedures and Documentary Requirements on the Filing and Adjudication of Money Claims Due from the Government or any of its Subdivisions, Agencies and Instrumentalities

**1.0 LEGAL BASES**

Section 26 of Presidential Decree (PD) No. 1445<sup>1</sup> provides that the authority and powers of the Commission on Audit (COA) shall extend to, among others, the examination, audit, and settlement of all debts and claims of any sort due from or owing to the Government or any of its subdivisions, agencies and instrumentalities. Pursuant to this mandate, the law confers upon the COA the jurisdiction to adjudicate or settle all types of money claims against the government.

Further, Section 1, Rule VIII, of the 2009 Revised Rules of Procedure of the COA (RRPC), as amended, provides that the Commission Proper (CP) has original jurisdiction over money claims against the Government, except payment of just compensation based on a court judgment in expropriation proceedings.

The money claims that are filed before this Commission are classified and distinguished into two types.<sup>2</sup> The first type covers money claims originally brought before the COA, and refers only to liquidated claims and quantum meruit cases. The second type of money claims refers to those which arise from a final and executory judgment of a court or arbitral body.

In view of the increasing number of money claims brought before this Commission, there is a need to provide updated and comprehensive guidelines that

<sup>1</sup> Government Auditing Code of the Philippines.

<sup>2</sup> Taisei Shimizu Joint Venture vs. Commission on Audit [COA] and the Department of Transportation (formerly Department of Transportation and Communication), G.R. No 238671, June 2, 2020.

encompass the procedures and documentation requirements in the filing and adjudication of the various types of money claims for the guidance of the offices concerned and the claimants.

## 2.0 PURPOSE

This Circular is issued to prescribe the guidelines, procedures and requirements in filing petitions for money claims before this Commission, as well as the disposition thereof, pursuant to its authority and powers as provided under Section 26 of PD No. 1445.

## 3.0 DEFINITION OF TERMS

The following terms when used in this Circular shall be construed to mean as follows:

- a) **Money claim** – a demand for payment of a sum of money, reimbursement or compensation arising from law, or contract due from or owing to a government agency.
- b) **Petitioner** – the party who submits a money claim to the Commission Proper or to the Cluster/Regional Director, in case of money claims not exceeding P100,000.00.
- c) **Respondent** – the government agency against whom a claim is directed.
- d) **Government agency or agency of the government or agency** – any department, bureau or office of the National Government, or any of its branches and instrumentalities or any local government unit, as well as any government-owned or controlled corporation, including its subsidiaries, or other self-governing board or commission of the government.
- e) **Liquidated claim** - a claim that can be determined or is readily determinable from vouchers, invoices, and such other papers within reach of accounting officers.<sup>3</sup>
- f) **Unbooked obligation** - refers to prior year's obligation incurred by a government agency, which at the time incurred, was covered by an

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<sup>3</sup> Euro-Med Laboratories, Phil., Inc. vs. Province of Batangas, G.R. No. 148106, July 17, 2006.



appropriation, but due to some deficiencies or causes, was not taken up in the registries as a proper charge to that year's appropriation or was not taken up as accounts payable at year-end. The term unbooked obligation shall not include prior years' unpaid authorized personnel benefits which are mandatory in nature.<sup>4</sup>

- g) **Quantum meruit** - literally meaning as much as he deserves. Under this principle, a person may recover a reasonable value of the thing he delivered or the service he rendered. The principle also acts as a device to prevent undue enrichment based on the equitable postulate that it is unjust for a person to retain benefit without paying for it. The principle of quantum meruit is predicated on equity.<sup>5</sup>
- h) **Real party-in-interest** - is the party who stands to be benefited or injured by the judgment in the suit, or the party entitled to the avails of the suit. Unless otherwise authorized by law or these Rules, every action must be prosecuted or defended in the name of the real party in interest.<sup>6</sup> A money claim, like any other action, must be instituted by the real party-in-interest.<sup>7</sup>

#### 4.0 PROCEDURES BEFORE THE COMMISSION PROPER

- a) **Filing of Petition** - A claimant for money against the Government, whose claim is cognizable by the Commission Proper, may file a petition directly with the Office of the Commission Secretary in accordance with the following:
  - i. **Caption** - The party seeking relief shall be referred to as "Petitioner" and the government agency against whom a claim is directed shall be referred to as "Respondent."
  - ii. **Contents of Petition** - The petition shall be verified and shall contain the personal circumstances or juridical personality of the petitioner, a concise statement of the ultimate facts constituting the cause of action, a citation of the law and jurisprudence upon which the petition is based and the relief sought. The petition shall be accompanied by certified true copies of documents referred to therein and other relevant supporting papers. The Commission

<sup>4</sup> COA Circular No. 2018-001, February 1, 2018.

<sup>5</sup> Geronimo vs. COA, G.R. No. 224163, December 4, 2018.

<sup>6</sup> Section 2, Rule 3 of the 2019 Amendments to the Rules of Civil Procedure.

<sup>7</sup> COA Decision No. 2020-265, January 31, 2020.



Secretary or his duly authorized representative, upon receipt of the petition, shall check the form of the petition and its attachments. If the petition is found to be deficient in form or in its attached documents, the Commission Secretary or his duly authorized representative shall return the petition with a written advice regarding the deficiencies found in the petition. The filing fee paid shall still be considered in the subsequent refiling of the petition.

iii. **Proof of Service** – Proof of service of the petition on the respondent shall be attached to the petition.

b) **Docket and Assignment Number** – Upon the filing of the petition, the Office of the Commission Secretary, after having determined compliance with the requirements set forth in this Circular, shall docket the same and assign to it a case number in accordance with Section 6, Rule IX of the RRPC.

c) **Order to Answer** – Upon receipt of the petition, the Commission Secretary shall issue an Order requiring respondent to answer the petition within fifteen (15) days from receipt thereof.

d) **Answer** - Within fifteen (15) days from receipt of the Order, the respondent shall file with the Commission Secretary an answer to the petition together with the proof of service thereof to the petitioner. The answer shall be accompanied by certified true copies of documents referred to therein together with other supporting papers. The answer shall (a) point out insufficiencies or inaccuracies in the petitioner's statement of facts and issues and (b) state the reasons why the petition should be denied or dismissed or granted. In case the respondent fails to file an answer within fifteen (15) days or within an extended period previously granted by the Commission Secretary, the petition shall be decided based on the allegations therein and the comment and recommendation of the concerned COA offices.

e) **Reply** – Petitioner may file a reply, copy furnished the respondent, within fifteen (15) days from receipt of the answer.

f) **Comment by Concerned Offices** – Except for court-adjudicated claims, within five (5) days from receipt of the complete records of the case including the answer of the Respondent and other parties in interest, the Commission Secretary shall refer the records to the concerned Director in the Central or Regional Office who shall, within fifteen (15) days from receipt thereof, submit their comment and recommendation to the

Commission Secretary. The 15-day period may be extended upon request, subject to approval of the Commission Secretary.

- g) **Referral to the Commission Proper Adjudication Sector (CPAS) of Money Claims filed with the CP** - After receipt of the comment and recommendation from the Director concerned, the Commission Secretary shall refer the case to the concerned Claims and Adjudication Office (CAO) (National, Local or Corporate) of the CPAS for evaluation and preparation of a draft decision to be submitted to the CP through the Commission Secretary.
- h) **Preparation and Rendition of Decision** - Within thirty (30) days from receipt of the complete documents necessary for the full adjudication of the claim, the concerned CAO of the CPAS shall prepare a decision for deliberation and approval of the CP. If in the process of preparing the decision the concerned CAO Director finds that a complete adjudication of the case cannot be made due to insufficiency of documents or information submitted, he/she may issue an Order requiring the submission of the document or information from the parties, concerned COA offices, or other government or non-governmental entities.

## **5.0 PROCEDURES BEFORE THE CLUSTER DIRECTOR (CD)/ REGIONAL DIRECTOR (RD)**

- a) Money claims involving amounts not exceeding P100,000.00 shall be filed before the Office of the CD/RD who exercises audit jurisdiction over the government agency or instrumentality against which the money claim is directed.<sup>8</sup>

In case of money claims directed against a government agency under the audit jurisdiction of the CD but located outside the National Capital Region, the petition may be filed with the Office of the RD where the Respondent is located. The RD shall order the Audit Team Leader (ATL)/Supervising Auditor (SA)/Regional Supervising Auditor (RSA) to submit comment and recommendation and, thereafter, forward the records of the case to the CD.

<sup>8</sup> COA Resolution No. 2021-038, December 20, 2021.

b) The following guidelines and procedures shall be observed by the Office of the CD/RD:

- a) The Office of the CD/RD shall act in place of the Commission Secretary. Upon receipt of the petition, after having determined compliance with the requirements, the Office of the CD/RD shall docket the same and assign to it a docket number.
- b) The CD/RD shall issue an Order requiring Respondent to answer the petition within fifteen (15) days from receipt thereof.
- c) Within fifteen (15) days from receipt of the said Order, the Respondent shall file with the Office of the CD/RD an answer to the petition.
- d) The Petitioner may file a reply, copy furnished the Respondent, within fifteen (15) days from receipt of the answer.
- e) Within five (5) days from receipt of the complete records of the case including the answer of the Respondent or other parties in interest, the CD/RD shall refer the records to the ATL/SA/RSA, except for court/quasi-judicial bodies adjudicated claims, who shall, within fifteen (15) days from receipt thereof, submit their comment and recommendation to the Office of the CD/RD.
- f) The CD/RD shall render his decision on the case within thirty (30) days after submission of the complete documents necessary for evaluation and decision. If in the process of preparing the decision the concerned CD/RD finds that a complete adjudication of the case cannot be made due to insufficiency of documents or information submitted, the concerned Director may issue an Order requiring the submission of the document or information from the parties, concerned COA offices, or other government or non-governmental entities.
- g) The CD/RD shall not entertain a motion for reconsideration of his/her decision. Any such motion shall be returned to the movant without action and with the advice that an appeal be filed instead to the CP pursuant to Rule VII of the 2009 RRPC.



## 6.0 PLEADINGS, MODE OF FILING AND FILING FEE

- a) **Form of Pleadings** – The petition, answer, reply and comments in connection with a money claim shall contain a caption setting forth the name and address of the COA, the title of the case, the docket number and the description of the pleading. It shall be printed or typewritten double-spaced on legal-size bond paper.
- b) **Number of Copies** – Every petition, answer, reply and other papers required in connection with a money claim filed before the CP, through the Commission Secretary, or before the CD/RD shall be made in five (5) legible copies.
- c) **Mode of Filing** – The filing of petition, answer, reply and other pleadings shall be in accordance with Sections 3 and 4, Rule IX of the RRPC.
- d) **Payment of Filing Fee and Legal Research Fee** – All money claims, except if the claimant is a government agency, shall be imposed a filing fee equivalent to 1/10 of 1% of the amount involved, provided that the total filing fee shall not exceed P50,000.00.<sup>9</sup>

In addition to the filing fee, a Legal Research Fee, which is 1% of the filing fee imposed but not lower than P10.00, shall be paid by the Petitioner.<sup>10</sup>

Payment shall be made at the COA Central Office Cashier or at the Cashier of the COA Regional Office where the money claim will be filed. If not practicable, payment may be remitted through postal money order payable to COA.

## 7.0 DOCUMENTARY REQUIREMENTS

In the exercise of its jurisdiction over money claim, this Commission adheres to the provision of Section 4(6) of PD No. 1445 which states that claims against government funds shall be supported with complete documentation. This is to establish the validity of the claim.

<sup>9</sup> Section 5, Rule IX, RRPC, as amended by COA Resolution No. 2013-016, August 23, 2013.

<sup>10</sup> Section 4, RA 3870, as amended, & LOI 1183, Dec. 16, 1981.

### 7.1 Requirements Applicable to All Types of Money Claims:

- a) Proof of payment of the filing fee and legal research fee, i.e., copy of the original receipt. Any petition without the required or with insufficient filing fee shall be returned to the party concerned for compliance with such requirement.<sup>11</sup>
- b) Certification from the concerned government agency of the nonpayment of the money claim.<sup>12</sup> The certification shall include a breakdown of the total amount claimed. In case of refusal by the government agency to issue said certification, the Petitioner should instead attach the duly received letter-request for the issuance of a certification and an affidavit stating therein that, despite reasonable time, the agency officials did not issue the said certification.
- c) Verification<sup>13</sup> and Certification against forum shopping by the Petitioner or the duly authorized representative.<sup>14</sup>
- d) Answer of the Respondent to the petition accompanied by certified true copies of documents referred to therein together with other supporting papers, including the breakdown and computations of the amount being claimed.<sup>15</sup>
- e) Comments and recommendation of the ATL/SA/RSA and CD/RD concerned on the money claim. Unless necessary for a judicious disposition of the claim, this requirement shall not apply to court-adjudicated claims.
- f) If Petitioner is represented by an attorney-in-fact, a duly notarized Special Power of Attorney specifically authorizing the agent to file the money claim.
- g) If Petitioner is a corporation, a duly notarized Secretary's Certificate and/or Board Resolution specifically authorizing the representative of the corporation to file the money claim.<sup>16</sup>

<sup>11</sup> Section 5, Rule IX, RRPC, as amended by COA Resolution No. 2013-016, August 23, 2013.

<sup>12</sup> COA Resolution No. 2012-011, October 15, 2012.

<sup>13</sup> A pleading is verified by an affidavit that the affiant has read the pleading and that the allegations therein are true and correct of his knowledge and belief (Section 4, Rule 7, Rules of Court, as amended)

<sup>14</sup> Section 5, Rule 7, Rules of Court, as amended.

<sup>15</sup> Sec. 2(e), Rule VIII, RRPC and Item 2(c), COA Memorandum No. 2016-016, July 5, 2016.

<sup>16</sup> Section 5, Rule 7, Rules of Court, as amended.

## 7.2 Specific Requirements:

### a) Money Claims Based on Final and Executory Judicial Decisions/Decisions of Quasi-Judicial Bodies or Tribunals (except payment of just compensation based on a court judgment in expropriation proceedings)

- i. Copy of the final court decision and entry of judgment duly authenticated by the authorized court officer.<sup>17</sup>
- ii. Authenticated copies of decisions/orders/judgments rendered by the lower courts, quasi-judicial bodies or tribunals in case the final decision is in the exercise of appellate jurisdiction of the court whose judgment is being executed.<sup>18</sup>
- iii. In the case of a money claim filed pursuant to or on the basis of a final and executory decision/order/judgment of a quasi-judicial body or tribunal, authenticated copy of such decision/judgment/order.

### b) Money Claims Involving Unbooked/Unfunded Obligations

Certified true copies of documents supporting the particular claim pursuant to COA Circular No. 2012-001 dated June 14, 2012,<sup>19</sup> or any subsequent amendments thereof, and other relevant laws and issuances and those referred to in the petition.

### c) Money Claims Based on Quantum Meruit

Certified true copies of documents showing:

- i. Actual delivery of goods such as vouchers, invoices, delivery receipts, acceptance and inspection reports, etc.
- ii. Actual work accomplishment such as statements of works accomplished, inspection reports, certificates of completion and acceptance, as built plans, etc.

<sup>17</sup> Item 1(a), COA Memorandum No. 2016-016, July 5, 2016.

<sup>18</sup> Item 1(b), COA Memorandum No. 2016-016, July 5, 2016.

<sup>19</sup> Prescribing the Revised Guidelines and Documentary Requirements for Common Government Transactions.



- iii. Actual services rendered such as approved daily time records, certificate of service, duly verified/accepted accomplishment reports, approved application for leave, etc.

## **8.0 PROCEDURES ON ADJUDICATING MONEY CLAIMS**

In evaluating money claims and preparing the proposed decision, the Action Officers and Directors concerned shall be guided by the procedural guidelines in the adjudication of money claims prescribed under COA Memorandum No. 2023-005 dated **JUL 10 2023**

## **9.0 SUPPLEMENTARY RULES**

In the absence of any applicable provision in this Circular, the pertinent provisions of the Rules of Court in the Philippines shall be applicable by analogy or in suppletory character and effect.

## **10.0 REPEALING CLAUSE**

This Circular amends Sections 1 and 2 of Rule VIII of the 2009 RRPC and all resolutions, rules, regulations, circulars and memoranda and other issuances of the Commission or parts thereof which are inconsistent with any provisions of this Circular are hereby deemed repealed or modified accordingly.

## **11.0 SEPARABILITY CLAUSE**

If any part of this Circular is declared unconstitutional, the remaining part not affected thereby shall remain valid and effective.

## **12.0 EFFECTIVITY**

This Circular shall take effect fifteen (15) days after publication in a newspaper of general circulation.

Quezon City, Philippines.




COMMISSION ON AUDIT  
OFFICE OF THE COMMISSION SECRETARIAT



  
**GAMALIEL A. CORDOBA**  
Chairperson

  
**ROLAND CAFÉ PONDOC**  
Commissioner

  
**MARIO G. LIPANA**  
Commissioner