

Republic of the Philippines
PAMANSANG PANGASIWAAN NG PAIDIRIG
(NATIONAL IRRIGATION ADMINISTRATION)
3rd Floor, APC Building, Diliman
Quezon City

MC # 45, s. 1972

MEMORANDUM CIRCULAR

TO : ALL REGIONAL, PROVINCIAL AND/OR PROJECT
IRRIGATION ENGINEERS; IRRIGATION SUPERIN-
TENDENTS; OFFICERS-IN-CHARGE OF SYSTEMS;
HEADS OF SPECIAL PROJECTS; FIELD ACCOUNT-
ING PERSONNEL; REGIONAL AUDITORS AND FIELD
EXAMINERS
National Irrigation Administration

SUBJECT : Circumstances Under Which Payment of the
10% Retention Could Be Made Before Reaching
the 180-Day Requirement from the Completion
and Acceptance of the Work

Attention is invited to the query of the Chief Corporate
Accountant to the Corporate Auditor, this Office, as follows:

"Under what circumstances could payment of the 10%
retention be made before reaching the 180-day re-
quirement from the completion and acceptance of the
work as provided in the General Condition of the
contract?"

The Chief Corporate Accountant cited pertinent provision of the
Manual of Pre-Audit of Government Disbursements, item No. 3,
page 66,

In this connection, the Corporate Auditor wishes to invite
attention to the General Condition invariably provided for under
all NIA existing contracts, portion of which provides:

"14-e Release of Ten Percent (10%) Retention - The
retention of the ten percent on every partial payment
shall be made regardless of whether or not claims for
labor and for materials have been paid and shall not
be released or authorized to be paid the Contractor
until after sixty (60) calendar days have elapsed,
counting from the date of completion and acceptance of
the contract as certified to by the Administrator of
National Irrigation Administration."

the
By this 180-day period provided for under the Manual of Pre-Audit
for Government Disbursements aforesaid is deemed superseded by
the provisions of "14-e" of the General Condition now in vogue in
all NIA contracts.

In view hereof, release of the 10% retention may only be made
after 60 days from the completion and acceptance of the contract
as certified by the undersigned.

Please be guided accordingly.


ALFREDO L. JUINIO
Administrator

July 14, 1971
Concurred In: ERNESTO PADRE
Corporate Auditor