

Republika ng Pilipinas
KABANSANG PANGASIWAAN NG PATUBIG
(National Irrigation Administration)
Gusaling APC, Quezon Memorial Circle
Diliman, Lungsod ng Quezon

MC # 22 s. 1974

MEMORANDUM CIRCULAR

TO : ALL HEADS OF DEPARTMENTS AND STAFFS;
REGIONAL, PROVINCIAL AND PROJECT
IRRIGATION ENGINEERS; IRRIGATION
SUPERINTENDENTS AND/OR OFFICERS-IN-
CHARGE OF IRRIGATION SYSTEMS; HEADS
OF SPECIAL PROJECTS; AND ALL OTHERS
CONCERNED
National Irrigation Administration

SUBJECT : Memorandum Circular No. 631 of the Commission on
Audit dated March 12, 1974 Re Authorization for
Auditors to withhold salaries and other accounts
due Government Officials and Employees who have
Shortages in Money and Property Accountabilities,
Unliquidated Cash Advances, and Uncontroverted
Receivables due the Government, Pursuant to
Section 624 of the Revised Administrative Code,
as Amended

Quoted hereunder for your information, guidance and compliance are pertinent portions of Memorandum Circular No. 631 dated March 12, 1974 of the Commission on Audit regarding the above subject matter, to wit:

"Recent examinations conducted by government auditors of the accounts and financial operations of various governmental agencies and instrumentalities, including government-owned or controlled corporations, disclosed shortages in money and property accountabilities as well as long outstanding cash advances and uncontroverted receivables involving huge amounts which have remained unsettled and unliquidated for an unreasonable length of time in violation of existing regulations. The undesirability of such a situation vis-a-vis the fiscal position of the government is self-evident. The practice of accumulating through the years big sums of such shortages, cash advances and receivables with all its pernicious effects has become intolerable and should be put to a stop. To that end and considering that these accountabilities constitute settled liabilities in favor of the Government, this Commission is constrained to assert its authority under Section 624 of the Revised Administrative Code, as amended, which reads thus:

"Sec. 624. Retention of money for satisfaction of indebtedness to Government. - When any person is indebted to the Government of the Philippines or to any government-owned or controlled corporation or to any other self-governing board, commission or agency of the government, the Auditor General (now Commission on Audit) may direct the proper officer to withhold the payment of any money due him or his estate, the same to be applied in satisfaction of such indebtedness." (Words in parenthesis supplied).

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Accordingly, and in order to ensure prompt and expeditious settlement of the money claims herein contemplated, all national, provincial, city, government corporation and other unit auditors are hereby authorized to immediately order the withholding of payment of the salaries and other amounts, or so much thereof as may be necessary, except retirement pay or gratuities, due government officials and employees within respective audit jurisdiction who have shortages in their money and property accountabilities, unliquidated cash advances and uncontroverted receivables due the government, the said withheld amounts to be applied in satisfaction of such indebtedness pursuant to Section 624 of the Revised Administrative Code, as amended, supra. The withholding order shall in every case be directed to the proper officer in the agency or unit concerned and shall be signed by the Auditor in the following manner,

"By authority of the
Acting Chairman,
Commission on Audit

Auditor"

Any and all such withholding orders should be promptly reported to the undersigned by the Auditor concerned.

Cases other than those specified in the next preceding paragraph which, in the opinion of the Auditor concerned, call for the exercise of the withholding authority under Section 624, supra, as well as those where the amounts due the Officer-debtor include retirement pay or gratuity, should be elevated to the undersigned for appropriate action.

Strict observance hereof is hereby enjoined.

This Circular shall take effect immediately.

(SGD.) ISMAIL MATHAY, SR.
Acting Chairman"

Strict compliance is hereby enjoined.

Please be guided accordingly.

ALFREDO L. JULINIO
Administrator

April 17, 1974

CONCURRED:

THELSON N. PADIL
Corporate Auditor