

Republika ng Pilipinas
PAMBANSANG PANGASIWAAN NG PATUBIG
(National Irrigation Administration)
Lungsod ng Quezon

MC # 64, s. 1975

MEMORANDUM CIRCULAR

TO

ALL HEADS OF DEPARTMENTS AND STAFFS; HEADS OF SPECIAL PROJECTS; REGIONAL IRRIGATION DIRECTORS; PROVINCIAL AND PROJECT IRRIGATION ENGINEERS; IRRIGATION SUPERINTENDENTS AND/OR OFFICERS IN CHARGE OF SYSTEMS; CHIEF CORPORATE ACCOUNTANT AND REGIONAL ACCOUNTANTS; CORPORATE AUDITOR AND REGIONAL AUDITORS; COLLECTING AND DISBURSING OFFICERS AND ALL OTHERS CONCERNED
National Irrigation Administration

SUBJECT: Department Order No. 8-75, dated March 6, 1975 of the Honorable Secretary of Finance and the Interim Method of National Collection Deposited with the Development Bank of the Philippines.

For the information and guidance of all concerned, quoted hereunder is Department Order No. 8-75, dated March 6, 1975 of the Honorable Secretary of Finance:

Department Order No. 8-75
March 6, 1975

TO

1. All National Collecting Officers
The Treasurer of the Philippines and Treasury Fiscal Examiners
The Chairman of the Board of Governors of the Development Bank of the Philippines and DBP Branch Managers, Auditors and Agents
Municipal, City and Provincial Treasurers
City, Provincial and Bureau Auditors; and
Others Concerned

SUBJECT

1. Authorizing the remittance of national collections to the Bureau of Treasury through direct deposits with the Development Bank of the Philippines and its branches.

This is to supplement Department Order No. 10-74 dated March 25, 1974 which authorized the remittance of national internal revenue collections to the Bureau of the Treasury through direct deposits with the Development Bank of the Philippines and its branches.

2. In view of the considerable benefits derived by the national government from the expeditious inflow of collections to the National Treasury and to help in strengthening the cash operations of DBP as a government depository, it is hereby directed that remittance of national collections thru the DBP be expanded to include not only internal revenue collections but all national collections similarly authorized for FNB and PVB prescribed under Department of Finance Orders Nos. 20-73 and 23-73, dated June 14, 1973 and August 22, 1973, respectively. Accordingly, national collecting

officers are authorized to remit their collections through direct deposits to the DBP Head Office and/or to any of its branches and agencies.

3. All provisions of Department Order No. 10-74 not otherwise affected by this Order shall remain in force and effect.

4. This Order shall take effect April 1, 1975.

(SGD.) CESAR VIRATA
Secretary of Finance

CONCURRED IN:

(SGD.) SY-CHANGCO (SGD.) ISMAEL MATHAY, SR.
Commissioner of the Budget Actg. Chairman, Commission on Audit

(SGD.) LEONTEB S. VIRATA
Chairman

Board of Governors
Development Bank of the Philippines

The following is a quoted attachment to Department Order No. 10-74:

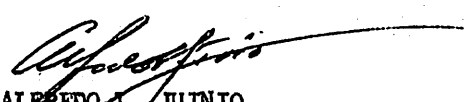
INTRINSIC MERIT OF NATIONAL COLLECTION
DEPOSITED WITH THE DBP

1. All national collections under the savings deposit of the DBP shall earn an interest of 6% per annum, compounded quarterly commencing from the date of deposit up to the date of withdrawal.
2. National collections can be collected by the DBP Field Collectors and the same shall be credited to the special savings deposit account of the Treasurer of the Philippines thru the DBP Head Office on the same day collection was made by the DBP Branch.
3. Unlike other government depository, the DBP immediately credit the special savings deposit account of the Treasurer of the Philippines during the day the collection is received, as compared to the former, deposits of collections are credited to the account of the Treasurer of the Philippines from three (3) to six (6) days after receipt of collection for deposit, thereby depriving the depositors of interest accruing for six (6) days. This delay constrains the National Treasury to borrow funds from other sources for immediate government needs resulting in an expense of the government in the form of interest on such borrowing.
4. Interest earned from savings deposit of the national collections will accrue as income of the national office or the municipality remitting the collection thru DBP.
5. Funds generated out of national collections deposited thru the DBP Branch will enhance funding needs of the DBP for financial assistance to country side development of the Philippines through the DBP's small and medium scale industry financing program, otherwise, the DBP might resort to other borrowings which would mean additional burden to our international reserve requirement.

6. National collection deposits maintained in other government depository Banks are credited to current accounts, thus depriving the depositor of interest earnings, whereas, in the DBP, this deposits are credited to savings account and same earns interest of 6% per annum immediately from the day it is deposited.
7. DBP services on savings deposit is personalized as the depositing officer are considered "VIP's."

In view of the advantages cited above, deputized Collecting Officers of the NIA may, whenever or wherever feasible, remit their collections to the Treasury thru DBP branches in the various regional and field offices or directly with the DBP Head Office. Regional Irrigation Divisions and field officials may arrange with the local DBP officials whereby DBP field collectors could collect directly from our regional and field offices. The Regional Accountants shall see to it that the interest earnings that may accrue to the credit of the NIA shall be transferred as soon as possible to the Central Office by drawing a journal voucher crediting regional account 71-100-199 and parenthesis credit income account 811 (511-9). The Central Office Accounting Division shall draw a corresponding regional entry booking up the interest earnings under our Corporate Fund 108 pursuant to Sec. 2 (b) of R.D. 552.

Compliance by all concerned is hereby enjoined.


ALFREDO L. JUINIO
Administrator

November 12, 1975

PAS:art
11-10-75