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

MC No. 51 s, 1982

MEMORANDUM CIRCULAR

T O : THE ASSISTANT ADMINISTRATORS; HEADS OF DEPARTMENTS AND STAFFS; REGIONAL IRRIGATION DIRECTORS; PROJECT MANAGERS AND PROVINCIAL IRRIGATION ENGINEERS; IRRIGATION SUPERINTENDENTS AND OFFICER-IN-CHARGE OF SYSTEMS; CHIEF CORPORATE ACCOUNTANT AND PROJECT ACCOUNTANTS; CORPORATE AUDITOR AND PROJECT AUDITORS; DISBURSING OFFICERS AND ALL OTHERS CONCERNED

National Irrigation Administration

SUBJECT : Discontinuance of the use of TCAA checks and the Establishment of PNB Checking Accounts for Projects under the Combination Deposit Account Facility of the PNB

I. Purpose:

This Circular is issued to implement the use of PNB commercial checks for all check disbursements of selected foreign-assisted projects thru the establishment of the PNB Checking Account for Projects under the Combination Deposit Account Facility (the "Combo Facility") of the Philippine National Bank.

The use of the PNB commercial check is geared towards the attainment of management objective of monitoring promptly and accurately the status of project funds in order to assist managers in their formulation of policies and programs insofar as the financial aspects of the project is concerned.

II. Nature of the PNB Checking Account under the Combination Deposit Account Facility

The PNB Checking Account under the "Combo Facility" shall replace the Treasury Checking Account for Agencies

(TCAA) and shall operate in the same manner but shall be under the administrative custody of the Administrator. Henceforth, disbursements of foreign-assisted projects listed in Annex "A" which used to be covered by TCAA checks shall now be effected by the use of the PNB commercial checks.

III. Release of Advice of Sub-Allotment and Disbursements Limitations

The Assistant Administrator for Finance and Management thru the Budget Officer shall be responsible for the issuance of the Advice of Sub-Allotment (ASA) to the project offices concerned. The ASA shall also serve as a guide of the maximum amount that can be disbursed by PNB checks within a month or quarter.

To ensure a continuous servicing by the bank of checks issued by the project offices, all request for release of fund should specifically identify the project's field office/s where the fund is/are intended to be allocated and utilized in order that the same may be properly indicated on the ASA. This will be the basis of the Project Managers in sub-allocating the amount authorized in the ASA to its different operating units.

Any intended realignment or shifting of allotments from one project field office to another should be requested and informed to the Assistant Administrator for Finance and Management thru the facilities of our radio network. Reallocation of funds in the project office before it can be effected, shall invariably be covered by duly approved Advice of Sub-Allotment from the Central Office. Copies of the ASA prepared for this purpose will

be furnished to the PNB NIA branch for their information and dissemination to their branch offices concerned.

In order to prevent tampering of amounts of ASA issued the new form of this budgetary document shall be prenumbered and its amount validated by a check-writer on the lower portion of the advice.

IV. Return of old Advice of Sub-Allotment with Outstanding Balances

Previously issued Advice of Sub-Allotment which has still an outstanding balances for appropriation as of September 30, 1982, shall no longer be charged with new obligations and shall be returned by the Project Accountant to the Central Office, Controllershship Department for cancellation. To be submitted also by the project office is a summary statement of all obligations which has remained unsettled as of September 30, 1982. This statement shall be certified correct by the Project Accountant and verified by the Project Auditor. The total of this unliquidated obligations shall be cancelled in the books of the C.O. and shall be added up to the unused balance of ASA as of September 30, 1982 for reissuance of a new ASA to the project. Pending receipt of these documents/statements by the C.O., all request for fund releases to cover the project's next month/quarter requirements shall be processed and issued before the end of September, 1982.

V. Return of Unused TCAA form Blank Checks

The unissued TCAA form of blank checks shall be returned by the Disbursing Officers concerned to the Bureau of the Treasury. Copies of the INVOICES upon returning the blank TCAA checks shall be furnished the

(1) Corporate Auditor, (2) Project Auditor, (3) Project Accountant, and (4) Central Office, Chief Accountant.

VI. Encashment of PNB Checks

The PNB commercial check shall be encashable at the PNB NIA Branch or at their branches where the Disbursing Officer is accredited by the bank. The PNB NIA Branch or its branches shall be indicated on the face of the check. In order to ensure effective control, PNB check shall be encashable only at the bank NIA Branch or ~~branches~~ indicated on the face of the check although they may be deposited in any bank.

VII. Statement of Responsibilities

(a). The Corporate Treasurer shall:

1. Advise the PNB NIA Branch of the names and positions of the officials authorized to sign and countersign checks drawn against the checking account with their corresponding limit in amount for each check and furnish the bank the specimen signatures of the said officials;
2. Be responsible for the withdrawal of amount from the Savings Account for automatic transfer to the Current Account;
3. See to it that all requisitions for blank checks are made only by the duly authorized Disbursing Officers and properly approved by the respective Chief of Office;
4. Institute proper safeguards for the safe-keeping of blank checks requisitioned from

the PNB.

5. Maintain a minimum level of one month and maximum level of four months stock of PNB check blank forms.

(b) The Chief Accountant shall:

1. Be responsible for the preparation of the Monthly Bank Reconciliation Statement for Savings and Current Account deposits.
2. Exercise and control the disbursements of the disbursing officers in accordance with existing laws, rules and regulations so as to be within the allotment issued to them.
3. Take charge of the proper recording and accounting of the checks issued.
4. Exercise close supervision over accounting and other fiscal functions to prevent losses of government funds. He shall see to it that the Disbursing Officer's reports required, such as, the Report of Checks Issued and Cancelled (RCIC), the Report of Disbursements and other related reports are accomplished and submitted promptly and properly utilized for control purposes.
5. Make sure that the serial numbers of the issued and cancelled checks per Report of Checks Issued by Deputized Disbursing Officers (RCIDDO) are as reported in the Report of Accountability for Accountable Forms to determine unaccounted for or unreported checks.

(c) The Disbursing Officer shall:

1. Prepare and submit a weekly Report of Checks Issued and Cancelled (RCIC) :
2. See to it that the total amount of checks issued by him is within the authorized Advice of Sub-Allotment and in no case shall checks be issued more than the amount of ASA received.
3. Prepare and submit every quincena and end of the month the RCIDDO to be accompanied by the Report of Accountability Forms (GF 16A).
4. Exercise utmost care when preparing the checks to prevent errors and erasures. Checks bearing erasures as to date, payee and amount shall be cancelled and invalidated.
5. See to it that the serial numbers of checks cancelled are included in the RCIDDO.

This Circular takes effect October 1, 1982.

Strict compliance by all concerned is hereby enjoined.

(SGD.) FIORELLO R. ESTUAR
Administrator

September 21, 1982

Concurred:

(SGD.) ARGNANI O. SALDUA
Corporate Auditor

MASTERLIST OF NIS PROJECTS UNDER THE COMBINATION DEPOSIT ACCOUNT (COMBO) FACILITY

CODE NO.	CURRENT ACCOUNT NO./BANK BRANCH	NAME OF PROJECT/ADDRESS	SIGNING	COUNTERSIGNING	MAXIMUM AMOUNT OF CREDIT
5	8400050 PNB-Tarlac Br.	Tarlac Irrigation System Improvement Project (TISIP) Matatalaib, Tarlac, Tarlac	Erlinda M. Agguino Fidela C. Porillo Honorio M. Encarnacion, Jr. Ernesto B. Bielza Fidela C. Porillo Erlinda M. Aquino Ernesto B. Bielza Fidela C. Porillo Erlinda M. Aquino	Reynaldo C. Mencias (Proj. Mgr.) -do- -do- -do- Honorio M. Encarnacion, Jr. (Chief O & M. Division) -do- -do- Ernesto B. Bielza (Chief, Eng'g. Div.) -do-	150,000.00 150,000.00 150,000.00 150,000.00 50,000.00 50,000.00 50,000.00 50,000.00 50,000.00
6	8400069 PNB-Tarlac Br.	Central Luzon Groundwater Irrigation Project (CLGIP) Matatalaib, Tarlac, Tarlac	Julita C. Almario Carmen V. Penzon Celso J. Aquino Julita C. Almario Carmen V. Penzon	Reynaldo C. Mencias (Proj. Manager) -do- -do- Celso J. Aquino (Asst. Proj. Manager) -do-	150,000.00 150,000.00 150,000.00 50,000.00 50,000.00
7	8400077 PNB-Sta. Cruz Branch	Laguna de Bay Development Project-IC (LBDP-IC) Pila, Laguna	Leonardo M. Palor Victorino D. Ibarrola Augusto V. Samonte	Maximino A. Eclipse (Project Manager) Leonardo M. Palor (Asst. Proj. Mgr.) -do-	150,000.00 50,000.00 50,000.00
7-a	8400077 PNB-NIA Br.	Laguna de Bay Development Project-IC (LBDF-IC, Head Office) Fort Bonifacio, Metro Manila	Platon F. Arandela Abelardo G. Dajano	Maximino A. Eclipse (Project Manager) -do-	150,000.00 150,000.00
7-b	8400077 PNB-Sta. Cruz Branch	Laguna de Bay Development Project-IC (LBDF-IC) - Sta. Cruz-Mabacan RIS Pila, Laguna	Virgilio M. Yorro Lagrimas P. Villamayor	Efren S. Roqueza (Irrig. Supt. II) -do-	50,000.00 50,000.00
7-c	8400077 PNB-Siniloan, Laguna Br.	Laguna de Bay Development Project-IC (LBDF-IC) - Sta. Maria-Mayor RIS Mabitac, Laguna	Alfonso C. Sanvictores Leticia M. Ilagan	Ruben D. Zamora (Disbursing Officer) -do-	50,000.00 50,000.00
7-d	8400077 PNB-Binangonan Br.	Laguna de Bay Development Project-IC (LBDF-IC) - Laguna Friar Lands Irrigation System Cabuyao, Laguna	Wilfrando B. Pedroso Amelia A. delos Reyes	Cesar C. Amador (Irrig. Supt.) -do-	50,000.00

MASTERLIST . . . COMBO

<u>CODE NO.</u>	<u>CURRENT ACCOUNT NO./BANK BRANCH</u>	<u>NAME OF PROJECT/ADDRESS</u>	<u>SIGNING</u>	<u>COUNTERSIGNING</u>	<u>MAXIMUM AMOUNT OF CHECK</u>
7-e	8400077 PNB-Cavite City Branch	Laguna de Bay Development Project-IC (LRLP-IC) - Cavite Friar Lands Irrigation System Naic, Cavite	Genaro C. Cayetano, Jr.	Alberto G. dela Cruz (Irrig. Supt.III/ Actg. PIE)	50,000.00
8	840065 PNB-Cavite City Branch	Second Laguna de Bay Development Project (LBDP-B) Tanza, Cavite	Teofilo P. de Jesus Reynaldo D. Ibarrola Magdalena dela Merced	Maximino A. Eclipse (Project Manager) Teofilo P. de Jesus (Asst. Proj. Mgr.) -do-	150,000 50,000. 50,000.00
8-a	8400085 PNB-NIA Branch	Second Laguna de Bay Development Project (LBDP-F, Head Office) Fort Bonifacio, Metro Manila	Abelardo G. Dajano	Maximino A. Eclipse (Project Manager)	150,000.00
10	8400107 PNB-Naga Branch	Bicol River Basin Irrigation Develop- ment Project (BRBIDP) - Division I Sta. Lucia, Magarao, Camarines Sur	Teodulo Mangusong Miguel F. Espladon Rodolfo D. Ambion Tirso A. Zapata	Graciano N. Labayog (Project Manager) -do- -do- -do-	150,000.00 150,000.00 150,000.00 150,000.00
10-a	8400107 PNB-Iriga Br.	Bicol River Basin Irrigation Develop- ment Project (BRBIDP) - Division II Sta. Cruz, Buac, Camarines Sur	Carlos R. Martinez Virgie G. Pontanal	Graciano N. Labayog (Project Manager) Carlos R. Martinez (Division Manager)	150,000.00 50,000.00
15	8400166 PNB-Gapan Br.	Aurora-Penaranda Irrigation Project (APIP) Gapan, Nueva Ecija	Adoracion F. Vega	Eladio B. Villamayor (Division Manager D)	50,000.
12	8400123 PNB-Iriga Br.	Rinconada-Buhi Lalo Integrated Agricultural Development Project (RBLIADP) Sta. Elena, Iriga City	Raoul R. Ursua Nonito Monge	Peliciano B. Berdin (Supv'g Const. Engr.) -do-	50,000.00 50,000.00