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

MC # 32, s. 1983

MEMORANDUM CIRCULAR

TO : THE ASSISTANT ADMINISTRATORS, HEAD OF CONTROLLERSHIP DEPARTMENT,
HEAD OF TREASURY DEPARTMENT, REGIONAL IRRIGATION DIRECTORS, PRO-
JECT MANAGERS, PROJECT ENGINEERS, PROVINCIAL IRRIGATION ENGINEERS,
IRRIGATION SUPERINTENDENTS, REGIONAL/PROJECT/UPRIIS ACCOUNTANTS,
REGIONAL/PROJECT/UPRIIS AUDITORS, CASHIERS/DISBURSING OFFICERS
AND OTHERS CONCERNED
National Irrigation Administration

SUBJECT : Reiteration of MC No. 74, s. 1979 re: Control of Cash Advance in
the Custody of Cashier/Disbursing Officers and MC No. 84, s. 1979
re: Procedures for Proper Handling of Partially-Paid Salary and
Labor Payrolls

In spite of the guidelines set forth in MC No. 74, s. 1979, we have observed that the main cause of cash shortages is the indiscriminate issuance of cash advance to cashiers/disbursing officers.

For this reason, NIA MC No. 74, s. 1979 is hereby reiterated. The attention of officials responsible for the grant of such cash advance is invited, particularly item C of said MC which provides that the Chief of Office shall first ascertain the cash balance appearing in the cash book of the Cashier/Disbursing Officer before approving the Replenishment Sheet.

There are two sets of cash advance issued to Cashiers/Disbursing Officers to meet all necessary expenses in the operation: Cash Advance for personal services which shall be equal to the total amount of payroll on payday and another cash advance for miscellaneous expenses which shall be sufficient to take care of petty expenses for fifteen days.

It has been observed that the estimated amount of cash advance for miscellaneous expenses does not include allowance for loose change (₱0.01, ₱0.05, ₱0.10, ₱0.25, ₱0.50 and ₱1.00 denominations). In order to prevent frequent trips to the bank just to get coins needed in the payment of salaries and wages and those needed in petty cash disbursements, henceforth the cash advance for miscellaneous expenses shall specify the necessary amounts for loose coins as well as bills of small denomination.

It has also come to our attention that partially-paid payrolls for salaries and wages has resulted to delayed preparation of the Reports of Disbursements and thus delay the replenishment of cash advance. NIA MC No. 84, s. 1979 is likewise reiterated. Unclaimed salaries/wages shall be ruled out and the payroll closed and recorded in the cash book of the cashier/disbursing officers. The Partially-paid payroll together with the Summary shall be forwarded to the accounting unit for adjustment of the corresponding journalization.

Strict compliance is enjoined.

(SGD.) CESAR L. TECH
Administrator

CONCURRED:

(SGD.) ARGNANI O. SALDUA
Corporate Auditor

NOVEMBER 14, 1983

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