

Republic of the Philippines
NATIONAL IRRIGATION ADMINISTRATION
EDSA, Diliman, Quezon City

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MC # 22 S. 1999

MEMORANDUM CIRCULAR

TO : THE DEPUTY ADMINISTRATOR, ASSISTANT ADMINISTRATORS,
DEPARTMENT MANAGERS, REGIONAL/OPERATION MANAGERS,
PROJECT MANAGERS, PROVINCIAL IRRIGATION OFFICERS,
IRRIGATION SUPERINTENDENTS, CORPORATE AUDITOR,
REGIONAL/PROJECT AUDITORS AND ALL OTHERS CONCERNED
THIS AGENCY

SUBJECT : GUIDELINES IN THE UTILIZATION OF THE 15-MILLION PESOS
TRUST FUND HEREBY ESTABLISHED FOR THE REPAIR AND
MAINTENANCE OF NIA EQUIPMENT

In order to fast-track the repair and maintenance of construction equipment in the Regional and Integrated System Offices, a Trust Fund in the amount of 15 million pesos from COB Fund shall be established by the NIA subject to availability of funds and to the following disbursement and replenishment guidelines:

1. The amount of 1-million pesos cash support shall be disbursed to each Regional/Integrated System Office at the start of the year, subject to existing accounting rules and regulations.
2. The amount shall be used specifically for the repair and maintenance of those equipment in the Regional and Integrated System Offices with on-going and/or incoming projects to make operational their unserviceable equipment.
3. Release of the one (1) million pesos cash support shall be done only once a year together with the initial issuance of the (1) million Sub-Allotment Advice (SAA) REFER fund. However, the request for the replenishment of SAA shall be in accordance with the existing Memorandum Circular No. 8, S. 1993-Revised Guidelines in the Establishment and Utilization of the Revolving Fund for Equipment Repairs (REFER).
4. In order to replenish the fund, allocation of equipment rental collections shall be divided as follows:

Sixty percent (60%) shall be allocated to the Current Operating Budget and the remaining forty percent (40%) percent shall be allocated for equipment repair and maintenance.

The 40% allocated for equipment repair and maintenance shall be further divided as follows :

- a) 25% of 40% or 10% of equipment rental collected shall be remitted to the Central Office by each Regional and Integrated System Office for the replenishment of the one (1) million pesos Trust Fund.
 - b) 75% of 40% or 30% of equipment rental collected shall be retained in the Regional and Integrated System Offices for additional funds in the repair and maintenance of equipment. This fund shall be controlled by the Regional Equipment Management Division (REMD).
5. Remittances of the allocated 10% of equipment rental collected to the Central Office by the Regional and Integrated System Offices shall be made every quarter.
 6. At the end of the calendar year, any amount in excess of 15-million pesos from remittances of Regional and Integrated System Offices and intended to replenish the Trust Fund shall be credited to NIA's Corporate Funds until such time that the amount of 15-million pesos is fully replenished.

In order to ensure effective utilization of the fund the Equipment Management Department (EMD) shall send Inspection Teams to each Regional/Integrated System Office.

This circular shall take effect at the beginning January 1999 and any memorandum circular found to be inconsistent herewith, is hereby modified and/or superseded.

For immediate compliance.


MANUEL S. AREVALO
Administrator

DDT/mms97*

July 6, 1999