

Republic of the Philippines
PAMBANSANG PANGASIWAAN NG PATUBIG
(National Irrigation Administration)
EDSA, Diliman, Quezon City

MC # 10, s.2002

MEMORANDUM CIRCULAR

**TO : DEPUTY ADMINISTRATOR, ASSISTANT ADMINISTRATORS,
DEPARTMENT MANAGERS, REGIONAL IRRIGATION
MANAGERS, OPERATIONS MANAGERS, AND ALL OTHERS
CONCERNED**

**SUBJECT: Creation of Composite Teams to Conduct Comprehensive
Audit of ISF Collection Efforts Nationwide**

In the interest of the service and for the information and guidance of all concerned, the following are hereby constituted as members of the composite teams to conduct comprehensive audit of ISF collection efforts nationwide:

AA for Finance and Management - Chairman

Controllership Department - Member

1. Ma. Concepcion B. Castillo
2. Elenita M. Galinato
3. Abelinda C. Prudente
4. Camela R. Ubaldo

Treasury Department - Member

1. Bonifacio M. Kabigting
2. Marcelina V. Laguimon
3. Deoscella SJ. Mata
4. Marife C. Peralta
5. Donna G. Valmonte

Management Services Department

- **Member**

1. Romeo G. Natividad
2. Corazon P. Garcia
3. Nueva G. Jose
4. Sonia M. Legua
5. Apolonia G. Gaberia
6. Angelica H. Castillo

Systems Management Department

- **Member**

1. Voltaire R. Barlis
2. Arthur R. dela Cruz
3. Basilio S. Lozano

In order to maximize performance, the above named employees shall be subdivided into three (3) audit teams so that the respective areas of responsibilities of each and every Department are well represented in the conduct of audit. Attached are the activities to be undertaken by each department during audit engagement.

It is understood that reports shall be submitted to the undersigned two (2) weeks after every field audit engagement.


JESUS EMMANUEL M. PARAS
Administrator

April 2, 2002

Republika ng Pilipinas
PAMBANSANG PANGASIWAAN NG PATUBIG
(National Irrigation Administration)
EDSA, Diliman, Quezon City

February 22, 2002

MEMORANDUM:

F O R : The Administrator
This Agency

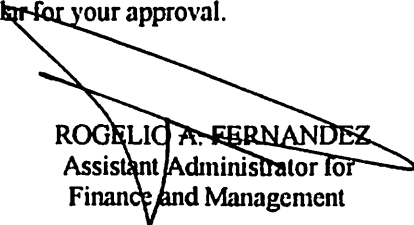
THRU : The Assistant Administrator
for Finance and Management

SUBJECT : Conduct of Comprehensive Audit of ISF Billing,
Collection and Remittance Procedures Nationwide

We are submitting the composition of audit teams who will conduct a comprehensive audit of ISF billing, collection, and remittances of various national systems nationwide. Included in the Finance and Management sector team are representatives from SMD, who shall identify/revalidate parcellary maps, firmed up service area, and other inconsistencies with ISF and IFR, if any.

The budget estimate for TEVs and other incidental expenses for the purpose is P660,000, which is chargeable against current operating budget. This is based on a once a year visit to a particular Region.

Attached are the activities to be undertaken by representative from concerned departments, details of the budget estimate and the memorandum circular for your approval.


ROGELIO A. FERNANDEZ
Assistant Administrator for
Finance and Management

ACTIVITIES TO BE UNDERTAKEN IN FIELD OFFICES:

- A. Monitoring and encouraging proper implementation of Billing and Collection and Remittance procedure of Irrigation Service Fees (ISF) and other related reports that are required to be submitted.

I. IRRIGATION SERVICE FEE

TREASURY DEPARTMENT

A. Billing:

- 1) Verify if all lots irrigated and planted are reported and billed:
 - a) Compare number of lots and area billed against the List of Irrigated and Planted Area (LIPA) submitted in sample division.
 - b) Compare reported area billed to SMD or RGSD against actual area billed.
- 2) Check if Irrigation Fee Registers (IFR) are updated:
 - a) Get sample ORs from Report of Collections (RC) of Bill Collectors in the possession of the systems Cashier and check in the IFR if those were posted. Find out if every payment posted bears the initial of the Billing Clerk.
 - b) Get sample bills and check if these were posted in the IFR.

B. Collection:

- 1) Check status of collection comparing previous year's performance.
- 2) Verify if all collections are properly receipted.
 - a) Make a list of sample farmers/payors (10 each from 10 Bill Collectors)
 - b) Contact listed farmers and verify the amount of ORs issued to them.
- 3) Check if action plans and activities to be undertaken are being done.
 - a) Verify income generating schemes.

MANAGEMENT SERVICES DEPARTMENT

C. Remittance:

1. Verify if collections are remitted regularly in accordance with the existing COA rules and regulations.
 - a) Check RC if the full amount of said reports are remitted on time.
 - b) Check Report of Collections of Collectors if it contains all ORs issued within the period specified.
 - c) Check last OR issued after every remittance if it bears at the back of the OR the signature of the IS or his duly authorized.
2. List down collectors with unremitted collection with information as to how long it has not been remitted and how often this delay of remittance is done.
3. Verify if System's Cashier/Collection Representative remits regularly his/her collections.
 - a) Check if RC submitted to the Finance and Management Division contains all payments made to him and collections of Collectors turned-over to him.
 - b) Check if the account of RC is fully remitted by checking the banks validity deposit slip attached to the reports.

CONTROLLERSHIP DEPARTMENT

II. Other Related Reports:

- A. Quarterly Statement of Income and Expenses (QSIE)
 - Check if QSIE are properly audited
- B. Monthly CIS Amortization Report
 - Compare reports received against report submitted
- C. Collection Efficiency Report
 - Compare reports received against report submitted
- D. Actual Cash Flow:
 1. For the month
 2. As of the month
- E. Verification of subsidiary ledger for accounts receivable

- G. Reconciliation of Accounts receivable (Subsidiary ledger vs. Billing Section records)
- H. Random confirmation of Accounts Receivable
- I. Implementation of NGAS
- J. Subsidiary ledgers for fixed assets to be verified vs. titles, deeds or other proof of ownership
On file.
- K. Determine what other subsidiary ledger are being maintained at the Regional office

SYSTEMS MANAGEMENT DEPARTMENT

- B. Establishment and validation of actual service area to serve as a basis for setting ISF collectibles.
 - 1. To check the management records of the irrigation system if there were no discrepancies among the Parcellary Maps (PM), Water Masterlist (WM) and Irrigation Fee Registers (IFR) as to the following:
 - a. no. of lots
 - b. no. of landowners/farmer-beneficiaries
 - c. corresponding areas
 - 2. Identification of discrepancies, if any, among the three main records (PM, WM and IFR) as follows:
 - a. are there lots found in PM and WM but not in IFR
 - b. are there lots found in IFR and WM but not in PM
 - c. are there lots found in IFR and PM but not in WM
 - d. are there lots found only in IFR
 - e. are there lots found only in PM
 - f. are there lots found only in WM
 - 3. Firming-up of Service Area (FUSA)
 - a. Delete all areas that could not be irrigated, areas converted to residential, right of ways, commercial and industrial establishment.
 - b. New generated area should be added to S.A.
- List down findings of inconsistencies, discrepancies and other observations.
- Give recommendations/remedial measures for discussion with the Chief of Office