



Republika ng Pilipinas
Pambansang Pangasiwaan ng Patubig
(NATIONAL IRRIGATION ADMINISTRATION)
Lungsod ng Quezon

OFFICE ADDRESS: NATIONAL GOVERNMENT CENTER
E. DE LOS SANTOS AVENUE
QUEZON CITY PHILIPPINES

TELEPHONE NOS.: 929-60-71 to 78
CABLE NIAPHIL
TELEX 42802 NIA PM

OUR REFERENCE:

MC# 25 s. 2004

MEMORANDUM CIRCULAR

TO: THE DEPUTY ADMINISTRATOR, ASSISTANT ADMINISTRATORS, DEPARTMENT MANAGERS, REGIONAL IRRIGATION MANAGERS, OPERATIONS MANAGERS, PROJECT MANAGERS, PROVINCIAL IRRIGATION ENGINEERS, IRRIGATION SUPERINTENDENTS, DISTRICT MANAGERS, REGIONAL FINANCE & MANAGEMENT MANAGERS, PROJECT ACCOUNTANTS, REGIONAL/FIELD AUDITORS, CASHIERS/COLLECTING OFFICERS AND OTHERS CONCERNED.

SUBJECT: **ONE-WAY DEPOSIT OF FIELD OFFICES CASH COLLECTIONS TO CENTRAL OFFICE**

For the effective management and monitoring of cash under the Corporate Fund (Fund 501) and to ensure optimum, transparent, and equitable utilization thereof, the need to pool at the Central Office (CO) all corporate cash of the Agency is deemed imperative.

All revenue collections of Central and Field Offices {Regional Irrigation Offices (RIO)/ Head Offices of UPRIIS, MARIIS, and CAR, National Irrigation Systems Offices (NISO)/District Offices and Provincial Irrigation Offices (PIO)} such as ISF, CIS equity and amortization, equipment rental, pump amortization, management fees, power generation, cash proceeds from the sale of palay, non-performing assets, unserviceable equipment, interest income (except interest income from MDS working fund), other income and refund of excess cash advance shall be deposited either to LBP Account No. 1872-1005-94 (COB) or PNB under Account No. 268-505923-4 maintained by Central Office. However, collections of bidders bond deposits, trust receipts and other refundable deposits need not be

deposited in these bank accounts. Irrigation Service Fee (ISF) back account collections under the Compromise Agreement Program (CAP) shall continue to be remitted/deposited to LBP Bank Account No.1872-1020-82.

→ Revenue collections for projects in partial operation shall continue to be governed by existing circular on the matter.

Cash requirement of field offices covering operation and maintenance expenses shall be released in accordance with procedure set by the following guidelines:

1. *Transfer of cash balances under Corporate Fund to Central Office.*

- 1.1 Field Offices shall transfer to Central Office all cash balances under existing depository account as of September 30, 2004 not later than the next banking day. These shall include both savings and current account balances under the Corporate Fund except unrefunded bidders bond deposits, trust receipts, and other refundable deposits.
- 1.2 All cash on hand as of September 30, 2004 of field office cashiers, regular disbursing officers (RDO), special disbursing officers (SDO), and other collecting officers shall, likewise, be transferred to Central Office bank accounts not later than the next banking day.
- 1.3 The following statements/reports as of September 30, 2004 shall be submitted to C.O within two weeks after said date:
 - a) Certified xerox copies of bank books/bank statements
 - b) Bank Reconciliation Statements
 - c) List of outstanding checks supported by the copies of DVs and checks
 - d) Statements of trust receipts
 - e) List of unrefunded bidders bond and other refundable deposits.
 - f) Statements of Account Current of Cashiers, RDOs, and SDOs.

2. *Remittance of Field Offices Collections to Central Office*

- 2.1 All Field Offices shall, henceforth, deposit regularly all their collections to Central Office Bank Accounts pursuant to MC 28 S. 1986 and shall submit on the 1st working day of the following week thru FAX or other faster means to the Treasury Department, NIA Central Office, Summary List of Validated Deposit Slips indicating the deposit slip number, date, name of Cashier/ Disbursing/ Collecting Officers of NISO, PIO and District office, Nature of Remittance, and amount for monitoring and control purposes, furnishing the RIO copies thereof.
- 2.2 Report of Collections, supported by official receipts and copies of validated deposit slips, shall be submitted monthly to Regional Office by Field Offices for booking up purposes not later than the 5th day of the following month.
- 2.3 Monthly Statement of Collections and Deposits, supported by copies of validated deposit slips, shall be submitted by the RIO to Controllershship Department not later than the 10th of the following month.
- 2.4 Treasury Department shall furnish RIO/IISO with a Monthly List of Remittances showing details of remittances confirmed by the bank not later than the 10th of the following month.

3. *Mechanics in the Release of Funding Check (FC) to Field Offices.*

- 3.1 The initial release of Funding Check shall depend on the available cash as of September 30, 2004, subject to the herein hierarchy of priorities in the payment of expenses and subject to the same formula as prescribed in paragraph 3.3.2.

3.1.1 Hierarchy of Priorities on Current Expenses and Prior Years Accounts Payables

- 3.1.1.a Salaries and wages and mandatory remittances, PERA, RATA allowances and 13th month pay.

3.1.1.b IA share and remuneration

3.1.1.c Employees Benefits (Cash gift, Anniversary bonus, GMA bonus, Productivity Incentive Bonus, loyalty award, signing bonus, etc.)

3.1.1.d Retirement and terminal leaves

3.1.1.e MOOE and other services

3.2 Available cash for allocation shall include CO cash balance at the beginning of the month less mandatory maintaining balance, outstanding checks, trust receipts and other refundable deposits.

3.3 For CY 2005 and succeeding years, CO, RIOs and Integrated Irrigation System Office (IISO) shall submit to the Assistant Administrators for Finance & Management not later than December 15 of every year the Annual Cash Program (Form A) for the ensuing calendar year.

3.4 Succeeding funding check shall be released on a monthly basis based on the consolidated cash program and approved cash allocation, subject to the following conditions:

3.3.1 *In case total cash available is equal or more than the total monthly cash requirements, Funding Check shall be released in full to the RIOs and Integrated Irrigation Systems Offices (IISO).*

3.3.2 *In case total cash available is less than the total monthly cash requirements, release of Funding Check shall be based on the approved Cash Allocation using the weighted average method (Individual RIO/ IISO & CO monthly requirements over total monthly cash requirements times the total cash available.*

3.3.3 *Total cash available in the Central Office for succeeding FC releases to the RIO/IISO shall be the cash balance as of the 22nd of the*

previous month and shall be released not later than the third working day of the following month through inter-branch deposit with LBP/PNB.

3.3.4 Disbursement/ payments by individual offices shall follow the priorities in the payment of expenses as stated in Paragraph 3.1

3.5 Monthly Consolidated Status of ASA and FC (Form B) shall be submitted to Controllership Department not later than the 10th day of the following month.

3.6 "No report no release" policy shall be strictly enforced.

4. *Sanctions for Violations of the Existing Guideline.*

The RIM/OM, F&M Division Manager, Operations Division Manager, Heads of NISO & PIO and other field officials concerned shall be held liable for any deliberate unremitted/ unreported collections and/or unauthorized utilization thereof.

Any violation of these guidelines shall subject the officials/employees concerned to appropriate administrative charges and penalties under existing CSC Rules and Regulations.

5. *Accounting Entries*

Central Office

Regional Offices

5.1 Transfer of Cash Balances

70-350	xxx	81-399	xxx
71-399	xxx	70-350	xxx

To take up transfer of cash balance from Field Office to Central Office

5.2 Booking Up of Collection

No Entry

70-400 xxx

71-000/Approp.Acct. xxx

To take up collection based on the Report of Collection

5.3 Remittance of Collections

70-350 xxx

81-399 xxx

71-399 xxx

70-400 xxx

To take up remittance of collections based on the bank validated deposit slips.

a. Release of Funding Check

71-399 xxx

70-350 xxx

70-350 xxx

81-399

xxx

To take up release of cash to Field Offices.

This memorandum circular shall take effect immediately subject to board confirmation and supersede all previous issuances inconsistent herewith. (Approved / confirmed under Board Resolution No. 7270-04 series of 2004.)

For strict compliance.


JESUS EMMANUEL M. PARAS

Administrator

July 26, 2004

Projected Annual Cash Program CY 2005 COB

[illegible]

Projected Annual Cash Program CY 2005 COB

[illegible]

Projected Annual Cash Program CY 2005 COB

[illegible]

_____, 2004
REGION _____

ASA RECEIVED			FC RECEIVED		OBLIGATION/UTILIZATION		BALANCE	
ASA#	DATE	AMOUNT (A)	DATE	AMOUNT (B)	ASA (C)	FC (D)	ASA A-C	FC B-D
							0.00	0.00
							0.00	0.00
							0.00	0.00
							0.00	0.00
							0.00	0.00
							0.00	0.00
							0.00	0.00
							0.00	0.00
							0.00	0.00
							0.00	0.00
							0.00	0.00
							0.00	0.00
							0.00	0.00
							0.00	0.00
							0.00	0.00
							0.00	0.00
							0.00	0.00
							0.00	0.00
							0.00	0.00
							0.00	0.00
							0.00	0.00
							0.00	0.00
							0.00	0.00
							0.00	0.00
							0.00	0.00
							0.00	0.00
							0.00	0.00
							0.00	0.00
TOTAL		0.00		0.00	0.00	0.00	0.00	0.00