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**Republika ng Pilipinas**  
**Pambansang Pangasiwaan Ng Patubig**  
**(NATIONAL IRRIGATION ADMINISTRATION)**  
**EDSA, Dilliman, Quezon City**

MC NO. 40, s.2004

**MEMORANDUM CIRCULAR**

**TO : THE DEPUTY ADMINISTRATOR, ASSISTANT ADMINISTRATORS, REGIONAL IRRIGATION MANAGERS, OPERATIONS MANAGERS, PROJECT MANAGERS, PROVINCIAL IRRIGATION OFFICERS, IRRIGATION SUPERINTENDENTS, REGIONAL/PROJECT ACCOUNTANTS, REGIONAL INTERNAL AUDITORS, AND ALL OTHERS CONCERNED**

**SUBJECT : Unliquidated Cash Advances and Disallowances**

Records show that million pesos of unliquidated cash advances and disallowances remain unliquidated and unsettled by some accountable officials and employees in violation to COA Circular No. 97-002 dated February 10, 1997 and reiterated under NIA MC no. 34, s. 2004.

To put an end to the indiscriminate designation and lack of proper supervision of accountable officers by some chiefs of field offices, there shall be a stringent control in the granting and liquidation of cash advance.

Hence, no additional cash advance and reimbursement shall be allowed unless the previous cash advance is settled. Cash advance shall only be availed at the Mother Station/Unit of the official/employee.

Further, effective November 1, 2004, all unliquidated cash advances and disallowances as of June 30, 2004 of all officials/employees shall be deducted from salaries and other emoluments due them. The deduction for each month shall be 10% of their monthly basic pay and shall continue thereafter until the whole amount of cash advance is completely settled. Unliquidated cash advances and disallowances may be deducted from COLA and Amelioration differential, in case same is paid earlier.

The directives implementing the said deduction and the corresponding quarterly report of liquidation and settlement shall be submitted to the office of the Assistant Administrator for Finance and Management, attention: MSD, for evaluation and monitoring.

All heads of offices are directed to ensure the implementation of this memorandum. Accountable officer/s found violating the above rules and regulations shall be held liable and, therefore, subject to disciplinary sanction of one-month suspension from work without pay.

For strict compliance.

  
**JESUS EMMANUEL M. PARAS**  
Administrator

November 3, 2004