



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

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OUR REFERENCE:

MC No. 62, s. 2009

TO: THE SENIOR DEPUTY ADMINISTRATOR, DEPUTY ADMINISTRATORS,  
DEPARTMENT/REGIONAL/ OPERATION/PROJECT MANAGERS,  
DIVISION MANAGERS AND OTHERS CONCERNED

SUBJECT: CLARIFICATION ON ITEMS 4.8.2 OF COA CIRCULAR NO. 2009-002,  
SERIES 2009

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Enclosed is a copy of the memorandum from the Office of the Assistant Commissioner of the Commission on Audit (COA) regarding on the above-cited subject dated October 22, 2009.

Please be guided accordingly.

  
**CARLOS S. SALAZAR**  
Administrator

Date: December 22, 2009



Republic of the Philippines  
**COMMISSION ON AUDIT**

Commonwealth Avenue, Quezon City, Philippines  
**Corporate Government Sector**  
**OFFICE OF THE ASSISTANT COMMISSIONER**

COMMISSION ON AUDIT  
CORPORATE GOVERNMENT SECTOR  
FINANCIAL

29 OCT 2009

**MEMORANDUM**

**TO : LUZ LORETO-TOLENTINO**  
Cluster Director  
Cluster A - Financial  
Corporate Government Sector  
This Commission

**SUBJECT : Clarification on Items 4.8.2 of COA Circular No. 2009-002**

**DATE : 22 October 2009**

We refer to your memorandum of 15 October 2009 informing of your action about the HDMF Supervising Auditor's request and suggesting that Item 4.8.2 of COA Circular No. 2009-002 be clarified.

Item 4.8.2 of the circular exempts routinary fund transfers within and between government banks. While the exemption gives emphasis on routinary transfers taking place between and among government banks, it also contemplates ordinary and regular fund transfers effected by other government agencies through this banking facility or any other legal mode of transfer.

The transfer of funds between and among government agencies contemplated in the guidelines to be covered by pre-audit generally refer to those transfers which are primarily intended to implement specific projects. Fund transfers between bank accounts of the same agency are included in pre-audit specifically to address the unauthorized practice of some national government agencies of transferring unused or excess allocations under the General Fund to other bank accounts in order to circumvent the required reversion or remittance of unobligated balances to the National Treasury. With this backdrop, it was the intent of the framers of the pre-audit guidelines that routinary fund transfers of government agencies, such as but not limited to transfers of cash allocation for operating requirements of branches, regional or provincial offices or attached agencies, remittance of collections and permissible temporary placements or investments are likewise exempt from pre-audit.

The above intention has been consistently clarified in the various briefings conducted prior to the implementation of pre-audit. Accordingly, we find no further necessity to formally clarify the same via an amendatory circular.



**JAIIME P. NARANJO**  
Assistant Commissioner