



Bureau of Corrections

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BUC-STO-PR-023

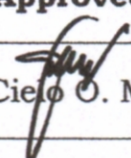
Revision No.
0


Effectivity Date
01/05/2018

FUND DISBURSEMENT

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REVISION AND APPROVAL

Rev.	Date	Nature of Changes	Approved By
0		Original issue.	Ma. Cielo O. Monsalud 

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1. PURPOSE

The purpose of this procedure is to provide the financial management services, particularly in terms of fund disbursements and liquidations, as overseen through the Accounting Section under the Finance Division and generally adopted by the Finance Sections of the various BuCor Operating Prisons and Penal Farms (OPPFs).

2. SCOPE

This procedure outlines specific processes for travelling expenses, payroll and payment of creditors.

3. DEFINITION OF TERMS & ACRONYMS

Accounts Payable	<ul style="list-style-type: none"> Refers to valid and legal obligations of NGAs/OUTs, for which, goods/services/projects have been delivered/rendered/completed and accepted, regardless of the year when these obligations were incurred.
Advice to Debit Account	<ul style="list-style-type: none"> Refers to an authorization issued by the NGA/OU appearing in the lower portion of the List of Due and Demandable Accounts Payable-Advice to Debit Account (LDDAP-ADA). It serves as instruction to the Modified Disbursement System, Government Servicing Banks (MDS-GSBs) to debit a specified amount from its available NCA balance under regular MDS sub-account for payment of creditors/payees through the Expanded Modified Disbursement Payment Scheme (ExMDPS).
Disbursements	<ul style="list-style-type: none"> Constitute all cash paid out during a given period in currency (cash) or by check/ADA. It may also mean the settlement of government payables/obligations by cash, check or ADA. It shall be covered by DV/Petty Cash Voucher (PCV)/Payroll.

4. RESPONSIBILITIES

Chief, Accounting Section	Certifying officer acting as the Head of Accounting Section on the availability of cash, subject to ADA, on the completeness of the supporting documents and the propriety of the amount claimed.
Immediate Supervisor	Certifying officer who has knowledge of the facts of the transaction and exercising direct supervision.
Payee	person/entity whose is the recipient of a lawful payment
Director General	Responsible in approving the payment of a lawful transaction.
Chief, Disbursement	Reviews and initials the Disbursement Vouchers before approval by the Chief , Accounting Section
Disbursement Staff	Responsible for processing claims and recording the same.

5. PROCEDURE DETAILS

Activity	Person Responsible	Details/Functions	References/Forms
<p style="text-align: center;">START</p> <p style="text-align: center;">↓</p> <p style="text-align: center;">Receive Request for Payment</p> <p style="text-align: center;">↓</p> <p style="text-align: center;">Review & Verification of Request for Payment</p> <p style="text-align: center;">↓</p> <p style="text-align: center;">Certifies Fund Availability</p> <p style="text-align: center;">↓</p> <p style="text-align: center;">A</p>	<p>Receiving Staff</p> <hr/> <p>Disbursement Staff Chief, Disbursement</p> <hr/> <p>Chief, Accounting Section</p>	<ul style="list-style-type: none"> • Receives the necessary requisition documents with supporting papers • Employee Masterlist for updating of payroll <hr/> <ul style="list-style-type: none"> • Checks the supporting documents & records the transaction • Verifies the requests validity and propriety <hr/> <ul style="list-style-type: none"> • Signs the DV certifying fund availability and completeness of documents 	<ul style="list-style-type: none"> • DV • ORS/BURS • Supporting Documents <hr/> <ul style="list-style-type: none"> • Index of Payment • Subsidiary Ledger • Accounting Entry Form • Monthly Payroll Summary



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Activity	Person Responsible	Details/Functions	References/Forms
<p style="text-align: center;">A</p> <p style="text-align: center;">↓</p> <p>Preparation of MDS Check, LCCA Checks/LDDAP-ADA/</p> <p style="text-align: center;">↓</p> <p>Approval of Payment</p> <p style="text-align: center;">↓</p> <p>Payee receives the payment</p> <p style="text-align: center;">↓</p> <p>Recording in the Book of Accounts</p> <p style="text-align: center;">↓</p> <p style="text-align: center;">END</p>	<p>Chief, Cashier</p> <p>Director General</p> <p>Chief, Cashier</p> <p>Bookkeeping Staff Disbursement Staff</p>	<ul style="list-style-type: none"> • Prepares MDS Check or LDDAP-ADA & ACIC • Signs and approves payment • Transmits the LDDAP-ADA to the bank of crediting to payee accounts • Ensures the payee receives the MDS Check and ACIC • Prepares disbursement reports • Prepares and submits Accounting Reports • Review and verification of Liquidation Reports or Report of Disbursements 	<ul style="list-style-type: none"> • LDDAP-ADA • ACIC • RCI • RADAI • MDR • CDJ • CkDJ • GJ • JEV • NORSA • Aging of Accounts Receivable


6. GUIDELINES

6.1 Disbursement

6.1.1 The Requesting Office/Unit prepares the Disbursement Voucher (DV) along with the necessary requisition documents and submits to the appropriate requisition authority.

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- 6.1.2 The appropriate requisition authority processes the request for funds and checks for order and completeness and transmits to the Accounting Office for processing.
- 6.1.3 The Accounting Staff reviews the DV, Obligation Request (ORS) and other requisition documents for order and completeness, and assigns a DV number and records the same in the logbook.
- 6.1.4 The Accounting Staff retrieves the Index of Payment (OP) from the file and determines if the claim is in order.
- 6.1.5 The Accounting Staff endorses the DV and other fund requisition documents to the Chief, Accounting Unit for review and certification of cash availability.
- 6.1.6 The Chief, Accounting Section signs the DV forwards the same, including attachments to the Bookkeeping Unit for the preparation of the Journal Entry Voucher (JEV).
- 6.1.7 The Bookkeeper reviews the JEV, assigns a JEV number and endorses the DV to Cashier.
- 6.1.8 The Assistant Chief Cashier prepares the fund request based on the endorsed DV.
- 6.1.9 For check payment, the Assistant Chief Cashier prepares the checks and Advice of Checks Issued and Cancelled (ACIC).
- 6.1.10 For direct-to-account payments, the Assistant Chief Cashier prepares the List of Due and Demandable Accounts Payable-Advice to Debit Account (LDDAP-ADA).
- 6.1.11 The Chief Cashier reviews the checks and ACIC/ LDDAP-ADA and signs the same.
- 6.1.12 The Assistant Chief Cashier records the checks in the Reports of Checks Issued (RCI) or the LLDAP-ADA in the Report of Advice to Debit Account Issued (RADAI) and transmits the signed checks/LDDAP-ADA and attachments to the Accounting Section.
- 6.1.13 The Receiving Officer, Accounting Section classifies the payments according to amount and forwards to the appropriate approving authority.

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- 6.1.14 The appropriate approving authority reviews the disbursement and signs the “Approved for Payment” portion of the DV, checks and/or LDDAP-ADA.
- 6.1.15 The appropriate approving authority returns the signed DV and checks/ LDDAP-ADA, including attachments, to the Cashier.
- 6.1.16 The Receiving Officer, Cashier’s Office photocopies the signed checks/LDDAP-ADA and records to the logbook.
- 6.1.17 For check payments, the Cashier informs the Requesting Office on the availability of the check.
 - 6.1.17.1. If the Requesting Officer is the designated Payee for the check, he claims the requested check from the Cashier’s Office and signs the “Received” portion of the DV.
- 6.1.18 For payment through LDDAP-ADA, the Cashier transmits the LDDAP-ADA to the Bureau’s Bank and informs the Requesting Office on the transfer and deposit details.

6.2 Liquidation of Cash Advance (CA)

- 6.2.1 The Accountable Officer (AO) prepares a Liquidation Report (LR) and for Special Disbursing Officer shall prepare a Report of Disbursements (RD), including attachments, and submits to the Accounting Unit.
 - 6.2.1.1 For unexpended cash advances, the AO returns the excess money to the Cashier. The Cashier issues an Official Receipt to the AO for the amount refunded from the CA/Liquidation.
- 6.2.2 The Staff, Accounting Office reviews the RD and/or LR for order and completeness and forwards to the Chief, Disbursement Unit for verification.
- 6.2.3 The Chief, Disbursement Unit reviews and verifies the information and completeness of the RD and/or LR and submits to the Chief, Accounting Section for approval.
- 6.2.4 The Chief, Accounting Section reviews and approves the RD and/or LR and transmits to the Bookkeeping Unit.
- 6.2.5 The Staff, Bookkeeping Office posts the RD and/or LR to the appropriate logbooks/records/ledgers.

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6.2.5.1 The Accounting Staff posts the liquidation in their respective Subsidiary Ledgers.

6.2.6 The Chief, Accounting Section verifies the report and supporting documents and submits to the COA Resident Auditor.

6.3 Payroll Preparation and Management

6.3.1 The Staff, Human Resource Development Section (HRDS) the Master List of Employees and submits to the Chief, HRDS for review and approval.

6.3.2 The Chief, HRDS reviews and approves the Master List and supporting documents for order and completeness.

6.3.3 The Staff, HRDS transmits the approved Master List to the Payroll Services, Accounting Section.

6.3.4 The Receiving Officer, Payroll Services receives the Master List and transmits to the Payroll-in-Charge.

6.3.5 The Payroll-in-Charge reviews and screens the payroll documents.

6.3.5.1 If found to be incomplete/inconsistent, the Payroll-in-Charge returns the payroll documents to the HRDS and informs them of the discrepancies.


6.3.5.2 The Staff, HRDS the reviews the payroll documents, resolves the discrepancies and re-submits to the Payroll-in-Charge.

6.3.6 The Payroll-in-Charge updates the Master List for any updates on any employee's compensation information and returns the updated Master List to the HRDS.

6.3.7 The Staff, HRDS encodes the updated Master List into the Payroll System, generates/prints the monthly Payroll Sheet, and submits to the Payroll-in-Charge, Accounting Section.

6.3.8 The Payroll-in-Charge assigns parts of the Payroll Sheet to individual Payroll Processors, Payroll Services.

6.3.9 The Payroll Processors compute the other monthly deductions to employees and provide a summary report of salary adjustments to the Payroll-in-Charge.


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- 6.3.10 The Payroll-in-Charge encodes the additional report of salary adjustments and generates the Consolidated Monthly Payroll Summary.
- 6.3.11 For Disbursement through Bank – Payroll Payment, the Payroll-in-Charge prepares a Proof list as an additional requisition document.
- 6.3.12 The Payroll-in-Charge prepares a DV and ORS for the payroll along with the other requisition documents, and submits to the Budget Section for disbursement processing.
- 6.3.13 The Budget Section receives and processes the payroll for disbursement.
- 6.3.14 For Disbursement through Bank – Payroll Payment, the Cashier releases the signed payroll check to the Payroll-in-Charge.
- 6.3.15 The Payroll-in-Charge forwards the signed payroll check and Proof list to the Official Depository Bank/s.
- 6.3.16 For Disbursement through Cash – Payroll Payment, the Cashier cashes the signed payroll check and pays the salaries and allowances of the employees.
- 6.3.17 The Cashier records the payroll in the Cash Book of Salaries and Allowances.
- 6.3.18 The Cashier prepares and submits the RD to the Accounting Section.
- 6.3.19 The Payroll-in-Charge checks the RD for order and completeness.

7. REFERENCES

7.1. General Accounting forms:

- 7.1.1. Disbursement Voucher (DV)
- 7.1.2. Obligation Request and Status (ORS)
- 7.1.3. Budget Utilization Request and Status (BURS)
- 7.1.4. Index of Payment
- 7.1.5. Subsidiary Ledger
- 7.1.6. List of Due and Demandable Accounts Payable – Advice to Debit Accounts (LDDAP-ADA)
- 7.1.7. Advice of Checks Issued and Cancelled (ACIC)
- 7.1.8. Report of Checks Issued (RCI)
- 7.1.9. Report of Advice to Debit Account Issued (RADAI)

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- 7.1.10. Cash Disbursements Journal (CDJ)
- 7.1.11. Check Disbursement Journal (CKDJ)
- 7.1.12. General Journal (GJ)
- 7.1.13. Journal Entry Voucher (JEV)
- 7.1.14. Notice of Obligation Request and Status Adjustment (NORSA)

Entity Name DISBURSEMENT VOUCHER		Fund Cluster : Date : DV No. :									
Mode of Payment <input type="checkbox"/> MDS Check <input type="checkbox"/> Commercial Check <input type="checkbox"/> ADA <input type="checkbox"/> Others (Please specify)											
Payee Address:	TIN/Employee No. :	ORS/BURS No. :									
<table border="1" style="width: 100%;"> <thead> <tr> <th style="width: 60%;">Particulars</th> <th style="width: 15%;">Responsibility Center</th> <th style="width: 15%;">MFO/PAP</th> <th style="width: 10%;">Amount</th> </tr> </thead> <tbody> <tr> <td style="height: 40px;"> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	Particulars	Responsibility Center	MFO/PAP	Amount					Amount Due		
Particulars	Responsibility Center	MFO/PAP	Amount								
A. Certified: Expenses/Cash Advance necessary, lawful and incurred under my direct supervision. <div style="text-align: center;"> _____ Printed Name, Designation and Signature of Supervisor </div>											
B. Accounting Entry:											
<table border="1" style="width: 100%;"> <thead> <tr> <th style="width: 60%;">Account Title</th> <th style="width: 15%;">UACS Code</th> <th style="width: 15%;">Debit</th> <th style="width: 10%;">Credit</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	Account Title	UACS Code	Debit	Credit							
Account Title	UACS Code	Debit	Credit								
C. Certified:		D. Approved for Payment									
<input type="checkbox"/> Cash available <input type="checkbox"/> Subject to Authority to Debit Account (when applicable) <input type="checkbox"/> Supporting documents complete and amount claimed proper											
Signature : _____ Printed Name : _____ Position : Head, Accounting Unit/Authorized Representative Date : _____	Signature : _____ Printed Name : _____ Position : Agency Head/Authorized Representative Date : _____										
E. Receipt of Payment											
Check/ADA No. : _____ Signature : _____	Date : _____ Date : _____	Bank Name & Account Number : _____ Printed Name : _____	JEV No. : _____ Date : _____								
Official Receipt No. & Date/Other Documents											

OBLIGATION REQUEST AND STATUS					Serial No. : _____ Date : _____ Fund Cluster : _____		
Entity Name							
Payee							
Office							
Address							
Responsibility Center	Particulars	MFO/PAP	UACS Object Code	Amount			
Total							
A. Certified: Charges to appropriation/allotment are necessary, lawful and under my direct supervision, and supporting documents valid, proper and legal			B. Certified: Allotment available and obligated for the purpose/adjustment necessary as indicated above				
Signature : _____ Printed Name : _____ Position : Head, Requesting Office/Authorized Representative Date : _____			Signature : _____ Printed Name : _____ Position : Head, Budget Division/Unit/Authorized Representative Date : _____				
C. STATUS OF OBLIGATION							
Reference		Amount		Balance			
Date	Particulars	ORS/IEV/Check/ADA/TRA No.	Obligation	Payable	Payment	Not Yet Due	Due and Demandable
			(a)	(b)	(c)	(d-e)	(f-g)

