



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS
OFFICE OF THE SECRETARY
MANILA

11 September 1990

DEPARTMENT ORDER

NO. **196** *m*

Series of 1990 *9/21*

TO ALL : Undersecretaries
Assistant Secretaries
Regional Directors
Project Managers
Bureau Directors
District/City Engineers
Fiscal Controllers
Chief Accountants
Others Concerned of—
National Capital Region
Cordillera Administrative Region
Region I
Region II
Region III
Region IV-A

SUBJECT : Guidelines in the utilization, accounting and reporting of the Earthquake Rehabilitation Fund authorized under RA 6960

I. Purpose

- 1.1 To safeguard the proper utilization of funds and to ensure correct accounting and reporting of said funds in accordance with Section 8 of RA 6960.

II. Coverage

- 2.1 The guidelines and procedures herein prescribed shall apply to funds released for the repair/rehabilitation of various infrastructure facilities damaged by the earthquake of July 16, 1990 and their aftershocks, as authorized under RA 6960.

III. General Guidelines

- 3.1 All expenditures shall be strictly in accordance with the approved Work and Financial Plan/Program of Work (POW) of each project.

- 3.2 The allotment released shall be valid for obligation until August 7, 1991.
- 3.3 The following expenditures are not authorized to be charged against the fund:
- 3.3.1 Purchase of Equipment.
 - 3.3.2 Purchase of Furnitures and Fixtures.
 - 3.3.3 Payment of Honoraria.
 - 3.3.4 Representation and Entertainment Expenses.
- 3.4 Any request for realignment of funds from one project/category/location to another shall be with the concurrence of the DPWH Action Officer for Roads, Bridges, Flood Control and Irrigation and with the approval of the Secretary.
- 3.5 Replenishment of the Common Fund maybe made anytime during the month with the Central Office.
- 3.6 A separate complete set of books of accounts under Fund 101 (RA 6960) shall be maintained and a separate Monthly Consolidated Trial Balance together with the Reports required under Section 8 of RA 6960 as its attachments shall be submitted to the Central Office.
- 3.7 A separate Bank Account for all releases under RA 6960 shall be maintained in the Central/Regional/District/City Engineering Offices which shall be treated as a Common Fund.

IV. Procedural Guidelines.

- 4.1 All projects chargeable against these funds shall be covered by an approved Program of Work. The Chief Accountant shall be furnished a copy of the approved PDW and shall ensure that all obligations incurred are in accordance therewith.
- 4.2 All ROAs covering obligations shall be signed by the designated Project Manager of the Project Management Office created for this purpose.
- 4.3 A current Checking Account entitled "Fund 101 -Earthquake Rehabilitation Fund, RA 6960" shall be opened with the authorized government servicing bank wherein all Funding Checks received shall be deposited and all disbursements shall be charged. Specimen signature cards of the designated signing and countersigning Project Managers shall be submitted to the bank. Within 24 hours after opening of the Account, the Fiscal Controller of the Region/Cashier of the District/City Engineering Office shall inform the Assistant Secretary for Comptrollership and Financial Management thru telegram, of the Current/Checking Account number and name and address of the Servicing Bank.

- 4.4 All request for replenishment of the Common Fund shall be submitted to the Assistant Secretary for Comptrollership and Financial Management supported by the Statement of Monthly Allocation and Utilization (SMAU) with the following schedules:
- 4.4.1. Schedule of Funding Checks received for the period covered by the SMAU.
 - 4.4.2. Schedule of Disbursements for the period covered by the SMAU.
 - 4.4.3. Latest Bank Reconciliation Statement.
- 4.5 The Office concerned shall maintain separate set of books of accounts and other records such as General and Special Journals, General Ledger, Cash Book, Check Booklet and Official Receipt. Separate Reports of Disbursements, Checks Issued, Collections and Deposits, Bills Rendered, etc. shall likewise be prepared.
- 4.6 The Operating Units shall prepare a Monthly Trial Balance to be submitted to the Regional Office for consolidation and same shall be submitted to the Central Office on or before the 10th day of the following month.
- 4.7 The Operating Units shall prepare the usual Monthly Obligations and Disbursements by Project Category and submit the same to the Regional Office concerned. The Regional Office shall consolidate these reports by District and by Project Category to be submitted on or before the 10th day of the following month to the Central Office.
- 4.8 The reports mentioned in Section 8 of RA 6960 shall show, among others, the funds allocated for the repair and reconstruction of infrastructure projects, the list of infra projects to be financed, the purpose for which the allotments were utilized and the accomplishments for the expended allotments, including the percentage of completion of repair and reconstruction projects using the attached format.

Effectivity:

This shall take effect immediately.


FIDRELLIO M. ESTUAR
Secretary

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