

DENR Memorandum Circular

No. 44

December 21, 1994

SUBJECT : Guidelines in the Payment Procedure of the Technical Assistance under the ENR-SECAL Working Fund.

In consonance with DAO 48 series of 1992 creating the ENR-SECAL Program and DOF/DBM/COA Circular No. 2-94 and in order to effectively implement the operation of the Special Account for the ENR-SECAL and facilitate payment of the Consultancy Services under the Program, the following procedures for payment are hereby prescribed, to wit:

A. Request for Obligation:

1. The ENR-SECAL Program Management Office (PMO) shall initiate the preparation of the Request for Obligation of Allotment (ROA) to cover the budget requirement of the Technical Assistance Contract in the first month of the current year;
2. The Budget Division shall prepare, record and facilitate approval fo the ROA;
3. USEC for Field Operations, the designated Senior Supervising Official for the ENR-SECAL shall recommend the approval of the ROA;
4. The Secretary shall approve ROA; and;
5. The Department Chief Accountant certifies availability of funds.

B. Payment Processing

1. The Technical Assistance firms shall submit their billing/s every 10th day of the following month together with the supporting

documents required under Memorandum dated July 15, 1994
re: requirements for TA Payments:

2. The Program Management Office (PMO) shall review the billings and prepare evaluation within five (5) working days after submission of the billings. However for billings which correspond to the month/period with which reports should be submitted, the consultant shall be required to include as part of the supporting materials said reports. The quarterly reports of the Technical Assistance Teams shall be required after which the same shall be processed within fifteen (15) working days.

The PMO shall likewise use as basis in the review and evaluation of the billings the Work and Performance certificates and evaluation to be submitted by Regional Offices.

If within the fifteen (15) working days, the Regional Offices failed to submit the Work Performance Certificate and evaluation report, PMO shall proceed with the processing of the payment. However, if there are recommended disallowances resulting from the evaluation the necessary deductions shall be made in the subsequent billings of the TA.

In full disapproval of payment, the billing shall be returned to the Consulting firm for rectification. On the other hand, if only portions of the billing are not eligible for payment, said portions shall be deducted from the billing; after which PMO shall forward the billing with deductions to the USEC for Field Operations for approval of payment.

3. The PMO shall endorse the payment for the billings and the supporting documents to USEC for Field Operations together with the following attachments needed for the payment:

- a) Notice to Pay addressed to the Land Bank as indicated in Attachment A

b) Statement of Account

PMO shall inform the TA firms of any action taken on their billings.

4. The USEC for Field Operations shall approve the Notice to the Land Bank of the Philippines (LBP) to effect payment to the concerned TA firm:
5. The Accounting Division shall have the following responsibilities:
 - a) receive from PMO all documents such as the billings and supporting documents (one original copy and one xerox) and the xerox copies of PMO's billing evaluation and Notice to Pay endorsed to the Land Bank of the Philippines.
 - b) the particular transaction shall be recorded disbursed upon receipt of the Debit Memo from LBP. The Accounting Division shall draw the Journal Voucher to be approved by USEC for Field Operations. Once approved, they shall notify PMO for inclusion of the disbursement in the Statement of Expenditures (SOE) for submission to the World Bank.
 - c) The Accounting Division shall be responsible for furnishing the COA of the particular transactions and all supporting documentations.
6. The LBP shall, upon receipt of the Notice To Pay and other documentations, remit the amount to the Creditor's Bank. At the same time, the LBP issue Debit Memo to the DENR-Accounting Division, to advise transfer of such payment.

Attachment B shows the Flow Chart for the Payment Procedure for the Technical Assistance.

All other provisions contained in the TA contracts shall remain valid and shall form part of this guidelines.

This Order shall take effect immediately.

ANGEL C. ALCALA
Secretary

Recommending Approval:

BEN S. MALAYANG, III
Undersecretary for Field Operations

ROSALIO B. GOZE
ENR-SECAL Program Director

MILAGROS CASTRO
Department Chief Accountant