



Commission on Human Rights
United Nations Development Programme



**PHI/02/011 – RIGHT TO DEVELOPMENT:
STRENGTHENING INSTITUTIONAL CAPACITIES
TO MAINSTREAM GENDER AND HUMAN RIGHTS**

CHR Reengineering Project

Financial Accounting System

DESIGN REPORT

OCTOBER 2003

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EXECUTIVE SUMMARY

FINANCIAL ACCOUNTING

1 INTRODUCTION

- 1.1.1 Financial Accounting encompasses the processes of analyzing, recording, classifying, summarizing and communicating all transactions involving the receipt and disposition of government funds and property, and interpreting the results thereof.
- 1.1.2 The Commission on Human Rights of the Philippines (CHRP) adopts the New Government Accounting System (NGAS). The design report on Financial Accounting for the CHRP is thus based on this consideration.
- 1.1.3 The policies, processes and procedures indicated in the COA manual on NGAS will no longer be reflected in this report. Instead the proposed design of an accounting for budgetary accounts will be reflected. The system will be set up in the CHRP for appropriate tracking of balances of appropriations and allotments, NCAs received, cash balances of the regions, and allotment balances of the individual offices.

2 OBJECTIVES

- 2.1.1 The objectives of the financial accounting system under the law are to:
- a) Produce information concerning past operations and present conditions;
 - b) Provide a basis for guidance for future operations;
 - c) Provide for control of the acts of public bodies and officers in the receipt, disposition, and utilization of funds and property; and
 - d) Report on the financial position and results of operation of government agencies for the information of all persons concerned. (Sec.110, Presidential Decree 1445; Sec.41, Subtitle B, Book V, E.O.292, The Revised Administrative Code of 1987).
- 2.1.2 In addition, in line with the reform vision of this study, the design objectives for the financial accounting system of the CHRP are to enhance accountability, transparency, and to provide accounting information for economic and administrative decision-making.

3 CONTEXT

- 3.1.1 The existing financial management system in the CHRP is highly centralized. All financial transactions of the CHRP, including those of the Regional Offices are handled by the Financial Management Office (FMO).
- 3.1.2 It is the thrust of the CHRP to decentralize its operations. The essence of decentralization is delegation of authority and assignment of responsibility to the middle/lower echelon of management. In the case of CHRP, to its Regional Offices.
- 3.1.3 However, the present set-up of the CHRP, even with the newly approved staffing pattern, shows that the individual offices especially those in the Regions do not have the capacity yet for a decentralized accounting system. In fact, the duly approved staffing pattern does not provide for an Accountant or Accounting Specialist in the Region. Thus, limited delegation of authority could be made to the regions.
- 3.1.4 The authority which will be delegated to the regions include the following:
- a) Preparation and submission of budget proposals to the FMO for consolidation with the overall budget of the CHRP;
 - b) Authority to incur obligations within the limits of the released allotments;
 - c) Authority to disburse funds within the limits of the allotments received, and accordingly approve vouchers for the payment of obligations in accordance with laws and regulations.

4 FRAMEWORK

ADOPTION OF THE NGAS

- 4.1.1 As required by the National Government through its accounting and auditing arm, the Commission on Audit, the CHRP will fully adopt the New Government Accounting System.

STRENGTHENING ACCOUNTABILITY OF PERSONNEL

- 4.1.2 Accounting for government funds, and in this case, accounting for the funds of the National Government as allocated to the CHRP, carries with it public accountability. The personnel involved in the processing of such funds have the responsibility to:
- a) safeguard government resources against loss and wastage;
 - b) adhere to the requirements of law and administrative policies and regulations;
 - c) practice economy and efficiency in operations; and
 - d) deliver the desired results of programs and projects.

ENHANCING ACCOUNTING RECORDS

- 4.1.3 The newly adopted NGAS focuses on the recording and preparation of reports on the financial transactions. It is important that budgetary transactions will also be taken into consideration. The keeping of the records for these types of transactions is also important to determine the actual financial standing of the CHRP and of its individual offices.

5 CHRP ACCOUNTING PROCESS

- 5.1.1 The CHRP accounting system will be implemented through a centralized arrangement. Tracking of financial operations will be more manageable using this kind of system. Regional Offices will therefore have to reckon with Central Office rules. Delegated authority up to the allowable limit requires the administration of regular operations budget for mandatory PS and MOOE items.
- 5.1.2 The accounting policies, books, records, forms, reports, and chart of accounts as prescribed in the Manual on the New Government Accounting System will be adopted and will be used by the CHRP in the preparation of its Financial Statements for reporting to management and other oversight agencies.

6 MAINTENANCE BUDGET ACCOUNTING RECORDS

- 6.1.1 Under the NGAS, obligation accounting is modified to simplify procedures in the incurrence and liquidation of obligations and the recording of budgetary accounts (allotments and obligations incurred and liquidated). Journal entries will no longer be prepared to record the receipt of allotments from the Department of Budget and Management (DBM) and the incurrence of obligations by the CHRP. In lieu of this, separate registries are maintained to control the allotments and obligations for each of the four classes of allotments, namely:
- a) Registry of Allotments and Obligations – Capital Outlay (RAOCO)
 - b) Registry of Allotments and Obligations – Maintenance and Other Operating Expenses (RAOMO)
 - c) Registry of Allotments and Obligations – Personal Services (RAOPS)
 - d) Registry of Allotments and Obligations - Financial Expenses (RAOFE)
- 6.1.2 This report on financial accounting will enhance the NGAS by presenting procedures and processes in accounting for the following transactions:
- a) Approval of Appropriations – upon approval of appropriations, the following records will be prepared:
 - Appropriations Registry - a record showing the total appropriations for the year, the allotments received, and the balance of appropriations as of a

given date. This will keep track of the total government support receivable from the National Government.

- Appropriations Registry, per allotment class – a record showing the appropriations, and balance of appropriations receivable from the National Government per PS, MOOE, CO and FE.
 - Schedule of Appropriations, per PPA – the total appropriations received for the year will be prepared with a schedule detailing the program, project, or activity that it is appropriated for.
 - Schedule of Appropriations, per office – a total appropriations received will be prepared with a schedule detailing the subdivision of the total appropriations per office. This schedule will be the basis for the preparation of the allotments to the different offices.
- b) Release of Appropriations and Incurrence of Obligations – the total appropriations received by the CHRP will be further released to its different offices. The following records will be kept to keep track of the total releases to the different offices:
- Registry of Appropriations and Allotments Issued – this registry will be kept by both the FMO and all CHRP offices. This will show the total allotments issued to the offices and the balance of appropriations as of a given period. It will also show the total obligations incurred and the balance of allotments issued.
- c) Receipt of Allotment, NCAs, Cash releases and liquidation of obligations – aside from the RAOs, which are prescribed under the NGAS, the following records, will be kept by the Budget Division.
- Allotment and NCA Registry – this registry will detail the total allotments received by the CHRP as of a given time and the corresponding NCAs issued by the DBM to cover the allotment. This record will show the balance of unfounded allotment as of a given period.
 - Registry of Allotments and Cash Issued – this record will be maintained by both the FMO and the Regional Offices. It shows the total allotments issued/received as of a given date, cash released/received and the total balance of unfounded allotments. It will also show the cash position as of a given date.

6.1.3 The BCAD will be the office responsible for keeping track of the budgetary accounts.

1

GENERAL INTRODUCTION

1 INTRODUCTION

- 1.1.1 Financial Accounting encompasses the processes of analyzing, recording, classifying, summarizing and communicating all transactions involving the receipt and disposition of government funds and property, and interpreting the results thereof. (Sec. 109, President Decree 1445; Sec.40, Subtitle B, Book V, E.O.292, The Revised Administrative Code of 1987).
- 1.1.2 The Commission on Audit (COA) in its Circular No. 2001-004 prescribed the use by government agencies of the New Government Accounting System (NGAS) effective January 1, 2002. The NGAS is a set of accounting concepts, guidelines, and procedures for recording government financial transactions and production of financial reports.
- 1.1.3 The Commission on Human Rights of the Philippines as a government agency must adhere to and strictly follow the accounting system prescribed by the National Government through the COA.
- 1.1.4 This report on Financial Accounting for the CHRP therefore adopts fully the New Government Accounting System (NGAS) as designed for the all government agencies to comply. As such, the policies, processes and procedures indicated in the Manual on the NGAS will not anymore be repeated on this report.
- 1.1.5 In addition to the NGAS, an accounting for budgetary accounts will be set up in order for the CHRP and all its offices to properly track the balances of appropriations, allotments, NCAs received, cash balances of the regions, and allotment balances of the individual offices.
- 1.1.6 This design report consists of the following components:
 - a) Policies and procedures for the following:
 - Accounting for Cash receipts;
 - Accounting for Disbursements; and
 - Accounting for Inventories and Properties
 - b) General Accounting Processes of the CHRP
 - c) Maintenance of Budget Accounting Records

2 OBJECTIVES

- 2.1.1 The objectives of the financial accounting system under the law are to:
- a) Produce information concerning past operations and present conditions;
 - b) Provide a basis for guidance for future operations;
 - c) Provide for control of the acts of public bodies and officers in the receipt, disposition, and utilization of funds and property; and
 - d) Report on the financial position and results of operation of government agencies for the information of all persons concerned. (Sec.110, Presidential Decree 1445; Sec.41, Subtitle B, Book V, E.O.292, The Revised Administrative Code of 1987).
- 2.1.2 In addition to the above, and in line with the reform vision of this study, this report is made with the desire to enhance accountability, transparency, and the provision of accounting information for economic and administrative decision-making.

3 CONTEXT

- 3.1.1 The existing financial management system in the CHRP is highly centralized. All financial transactions of the CHRP, including that of the Regional Offices are handled by Financial Management Office.
- 3.1.2 It is the thrust of the CHRP to decentralize its operations. The essence of decentralization is delegation of authority and assignment of responsibility to the middle/lower echelon of management. In the case of CHRP, to its Regional Offices.
- 3.1.3 However, the present set-up of the CHRP, even with the newly approved staffing pattern, shows that the individual offices especially those in the Regions do not have the capacity yet for a decentralized accounting system. In fact, the duly approved staffing pattern does not provide for an Accountant or Accounting Specialist in the Region. Thus, the Accounting system will still be centralized, but there would be a limited authority delegated to the regions.
- 3.1.4 The authority delegated shall include among others, the following:
- a) Preparation and submission of budget proposals to the FMO for consolidation with the overall budget of the CHRP;
 - b) Authority to incur obligations that are within the limits of the released allotments;
 - c) Authority to disburse funds within the limits of the allotments received and accordingly approve vouchers for the payment of obligations in accordance with laws and regulations.

4 FRAMEWORK

ADOPTION OF THE NGAS

- 4.1.1 As required by the National Government through its accounting and auditing arm, the Commission on Audit, the CHRP will fully adopt the New Government Accounting System.

STRENGTHENING ACCOUNTABILITY OF PERSONNEL

- 4.1.2 Accounting is not merely a simple process of recording and summarizing financial transactions. Accounting for government funds, and in this case, accounting for the funds of the National Government as allocated to the CHRP, carries with it public accountability. The personnel involved in the processing of such funds have the responsibility to:

- a) safeguard government resources against loss and wastage;
- b) adhere to the requirements of law and administrative policies and regulations;
- c) practice economy and efficiency in operations; and
- d) deliver the desired results of programs and projects.

ENHANCING ACCOUNTING RECORDS

- 4.1.3 The newly adopted NGAS focuses on the recording and preparation of reports on the financial transactions. It is important that budgetary transactions will also be taken into consideration. The keeping of the records for these type of transactions is also important to determine the actual financial standing of the CHRP and of its individual offices.

2

POLICIES AND PROCEDURES

1 ACCOUNTING FOR CASH RECEIPTS

1.1.1 Accounting for receipts of cash covers the processes of acknowledging and reporting collections, deposits of collections with Authorized Government Depository Bank (AGDB), and recording the same in the books of accounts.

POLICIES

1.1.2 Accounting for Cash Receipts is anchored on the following policies:

- a) All collections shall be acknowledged, deposited with Authorized Government Depository Banks (AGDB) and recorded in the books of account.
- b) The collection function shall be performed by the Cashier or by duly designated Collecting Officers who shall be bonded with the Fidelity Fund of the Treasury of the Philippines.
- c) All monies of whatever nature/source received by the CHRP shall be promptly acknowledged by issuing pre-numbered Official Receipts (ORs). In no case shall Temporary Receipts be used in lieu thereof.
- d) For collections in the form of checks, the following shall be observed:
 - Checks shall be made payable to the "Commission on Human Rights of the Philippines".
 - If the amount of the check is more than what is due, the entire amount should be receipted for. Payor may claim the refund of the excess amount through the disbursement procedure.
 - No endorsed check or post-dated check shall be accepted.
- e) Recording of collections and deposits shall be made in the appropriate accounting book within the working day when the supporting documents were received.

CASH RECEIPTS FROM NATIONAL GOVERNMENT

- 1.1.3 The National Government Budget support, equivalent to the appropriations of the CHRP for the year is transferred to the account of the CHRP through the Notice of Cash Allocation released to the CHRP. This is directly deposited by the DBM to the Regular under the Modified Disbursement Scheme (MDS) Account of the CHRP.

CASH RECEIPTS FROM DONOR AGENCIES AND LOCAL GOVERNMENT SUPPORT

- 1.1.4 Various donor institutions as well as local government units are funding various programs and projects of the CHRP. Funding from these donor agencies are covered by Memorandum of Agreements such that this funding can be used only for expenditures explicitly stated in the Agreement. These receipts shall not be included in the general fund of the CHRP to avoid mix-up with the funds for regular operations. A Special Account or Trust Fund Account shall therefore be set-up for the same.

CASH TRANSFERRED TO AND RECEIVED BY REGIONAL OFFICES

- 1.1.5 Cash transferred to the Regional Offices are taken from the general fund of the CHRP. These are disbursements from the Regular MDS Account of the CHRP and are recognized in the CHRP books as Cash Advances to the Regional Offices. The transfer of funds to the Regional Offices are the funding for the allotments released regularly.
- 1.1.6 The Regional Offices shall keep track of the total cash receipts from the Central Office. The receipt of such shall also be recorded in the Registry of Allotments and Cash Issued/Received kept by both the Regional Office and the BCAD-FMO.

RECORDING PROCEDURES

- 1.1.7 The accounting staff in the Accounting Division will, upon receipt of the Report of Collections and Deposits (RCD) with the copy of the Official Receipt (OR) and deposit slip (DS), record the same in the logbook and then forward it to the bookkeeper for review and preparation of the Journal Entry Voucher (JEV).
- 1.1.8 The bookkeeper prepares the JEV and, upon approval by the head of the accounting unit, records it in the Cash Receipts Journal (CRJ).

2 ACCOUNTING FOR DISBURSEMENTS

POLICIES FOR THE PREPARATION AND APPROVAL OF DISBURSEMENT VOUCHERS

- 2.1.1 Disbursements involves the processes of preparing and processing of disbursement vouchers; preparation and issuance of check payment by cash; granting utilization, and liquidation/replenishment of cash advances.

- 2.1.2 Disbursement Voucher is the form used when there are money claims. The use of disbursement vouchers shall not be regarded to as an easy task. Because it carries with it the responsibility or accountability for the use of the government fund.
- 2.1.3 The office requesting for settlement of claims shall be the office where the DV emanates. The person who prepares the same certifies that it is 1) necessary, 2) lawful, and that 3) the incurrence of the same is under his/her direct supervision.
- 2.1.4 Certifying for the claim to be *necessary* means that such claim is essential and indispensable. It means that the incurrence of the same is a requisite for the performance or functioning of the office, program, or project.
- 2.1.5 To be *lawful* means that such claim is legitimate, legally qualified, and that the incurrence of the same is allowed or within the bounds of law.
- 2.1.6 The National Government through the DBM, COA, and National Treasury and the government itself through its pronouncements and administrative circulars, has lots of rules, regulations, sanctions, and other controlling, mechanisms regarding the proper use of funds and the withdrawal of the same from the National Treasury. It is very important that all personnel within the CHR will be aware of this.
- 2.1.7 Aside from the office or personnel requesting for the claim, it is very important that the Accounting Division who attests for the completeness and propriety of the documents that supports the claim or Disbursement voucher be aware of it.
- 2.1.8 Much more shall the person in-charge for the approval of the same to be very aware of it as it he/she who controls or holds the power for the actual disbursement.
- 2.1.9 Accountability which means to *“answer for one’s responsibilities, to report, to explain, to give reasons, to respond, to assume obligations, to render a reckoning and to submit to an outside or external judgment.”* (Caiden, 1998), shall be very clear to all the people involved in the use of government funds.

PROCEDURE FOR DISBURSEMENTS (NGAS)

- 2.1.10 The Disbursement System (DS) involves the processes of preparing and processing of disbursement vouchers; preparation and issuance of check payment by cash; granting utilization, and liquidation/replenishment of cash advances. The sub systems are as follows:
- a) Disbursement through checks
 - b) Disbursement through Cash – Payroll Payment
 - c) Disbursement through Bank – Payroll Payment
 - d) Disbursement through Petty Cash Fund

- 2.1.11 For check disbursements, upon receipt of the Disbursement Voucher from the requesting office, the accounting staff will check the completeness of the supporting documents, assign DV number and record the same in the logbook. The Head of the accounting unit is tasked to review the DV and supporting documents.
- 2.2.12 Upon receipt of the Report of Checks Issued (RCI), the accounting staff records the same in the logbook and then forwards it to the bookkeeper for review and preparation of the Journal Entry Voucher (JEV).
- 2.2.13 The bookkeeper prepares the JEV and, upon approval by the head of the accounting unit, records it in the Check Disbursements Journal (CkDJ).
- 2.2.14 For payroll paid in cash, the procedure is as follows:
- a) Upon receipt of the Report on Disbursements (RD), the accounting staff records the same in the logbook and forwards it to the bookkeeper for JEV preparation. The bookkeeper likewise records the payroll payment in the individual Index of Payment (IP) of officials and employees. JEV review and approval is as always, the responsibility of the Accounting Division Manager.
 - b) For payroll paid through the bank, the procedure for check disbursements is used. Payroll payment through the bank will also be recorded in the IP.
- 2.2.15 Accounting of petty cash fund disbursements, particularly the establishment and replenishment of the same, will follow the procedure for check disbursements.

3 ACCOUNTING FOR INVENTORIES AND PROPERTIES

- 3.1.1 Accounting for properties and inventories consists of processes for monitoring, controlling and recording of acquisition and disposal of property and inventory. It includes the following:
- a) Receipt, Inspection, Acceptance and Recording Deliveries of Inventory Items and Equipment
 - b) Requisition and Issuance of Inventory Items
 - c) Requisition and Issuance of Equipment
- 3.1.2 Accounting for Inventories and Properties starts with the receipt of the purchased inventory items and equipment. The requesting office in need of the inventory items and equipment, after determining that the items are not available in stock, shall prepare and cause the approval of the Purchase Request (PR). On the basis of the approved PR and after accomplishing all the required procedures adopting a particular mode of procurement, the CHRP shall issue a duly approved Purchase Order.

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- 3.1.3 The accounting procedure for the payment of the purchase order and its subsequent booking will follow the procedure for check disbursements.
- 3.1.4 After the payment of deliveries, the Accounting Division PPELC keeper posts the necessary information on the supply ledger card (SLC)/Property, Plant and Equipment Ledger Card (PPELC), based on the paid documents forwarded by the cash unit.
- 3.1.5 For the requisition and issuance of inventory items, the accounting procedure is as follows:
- a) The accounting staff receives the Supplies Availability Inquiry (SAI) from the requesting personnel for determination of availability/status of stocks. The accounting staff processes the SAI and then returns the original to the requesting personnel, while filing copy 2.
 - b) The accounting staff receives the Report of Supplies and Materials Issued (RSMI) together with the original of the SAI and Requisition and Issue Slip (RIS) for recording of the information in the former to the Stock Ledger Card (SLC). At the end of the month, the bookkeeper, based on the original RSMI, prepares the JEV to record the issuance of stock. The JEV is checked and approved by the Head of the accounting unit and returned to the bookkeeper for recording in the general journal.
- 3.1.6 For the requisition and issuance of equipment, upon receipt of the original of the RIS, the accounting unit PPELC keeper posts the information pertaining to the issuance/transfer of property.

3

FINANCIAL ACCOUNTING PROCESS

1 CHRP ACCOUNTING PROCESS

- 1.1.1 The financial management system of the CHRP in its existing structure is still centralized. We have designed the Budgeting and Cash Administration System in such a way that there is participation from the different regional offices and from the different bureaus in the Central Office.
- 1.1.2 The Accounting system, however, will still have to be centralized. Tracking of financial operations will be more manageable using the centralized accounting system. Regional Offices, on the other hand, therefore will have to reckon with the rules of the Central Office in all its financial operations except for the delegated authority to administer its regular operations budget, which includes only, the regular/mandatory PS and MOOE items.

POLICIES/PROCEDURES

- 1.1.5 The CHRP accounting process is anchored on the following policies and procedures:
 - a) The CHRP shall release on a quarterly basis the allotment to each office for the regular operations budget only.
 - b) The cash program for Central Office will be administered by the FMO. Only the cash requirements of the Regional Offices for regular operations will be transferred, but will be in the form of Cash Advance.
 - c) The Regional Offices shall not make any disbursement in excess of funds released to it.
- 1.1.1 Accounting books will be maintained in the Financial Management Office. The Regional Office, however, will maintain its own set of records for budgetary accounts, which will be reported to the Central Office on a regular basis.

2 ACCOUNTING POLICIES, RULES AND PROCEDURES

- 2.1.1 Volume One(1) of the Manual on the New Government Accounting System details the basic features and policies of the NGAS, the government accounting plan, discussion on the financial statements and other related records required and the illustrative journal entries.

3 ACCOUNTING BOOKS, RECORDS, FORMS AND REPORTS

3.1.1 Volume Two (2) of the Manual on the New Government Accounting System contains the various formats of the books of accounts, registries, records, forms and reports including transactions on their use.

4 CHART OF ACCOUNTS

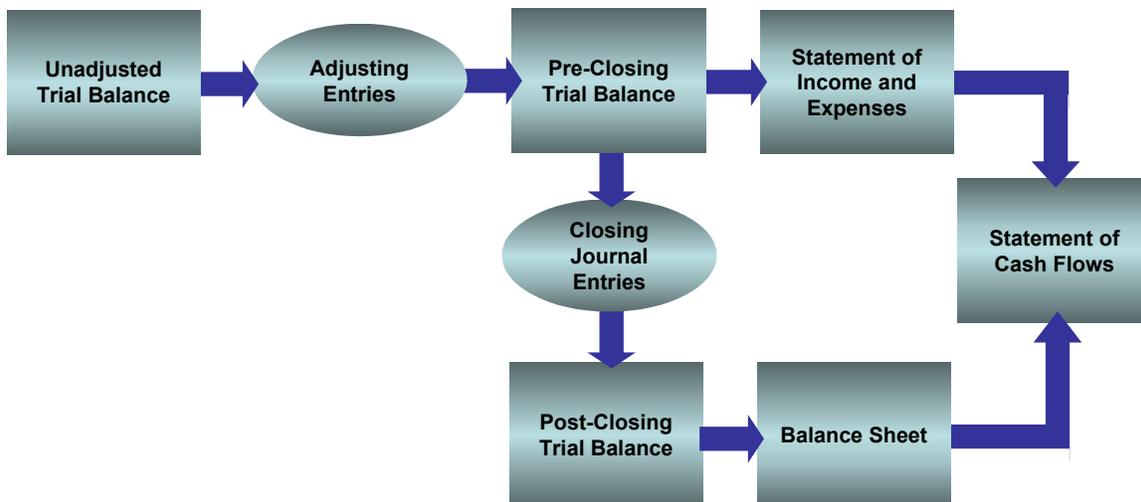
4.1.1 The Chart of Accounts that will be adopted by the CHRP are also those that are prescribed in the NGAS. Volume III of the Manual contains the list of these accounts and the definitions/descriptions of each account.

5 FINANCIAL STATEMENT PREPARATION PROCESS

5.1.1 Applying all the accounting polices in the NGAS, the financial statement of the CHRP will be generated for submission to the management, COA, DBM, and other oversight agencies requiring such reports.

5.1.2 The process of coming up with a financial statement is depicted in the diagram illustrated below.

THE FINANCIAL STATEMENT PROCESS



4

MAINTENANCE BUDGET ACCOUNTING RECORDS

1 INTRODUCTION

1.1.1 Under the New Government Accounting System (NGAS), obligation accounting is modified to simplify procedures in the incurrence and liquidation of obligations and the recording of budgetary accounts (allotments and obligations incurred and liquidated). Journal entries will no longer be prepared to record the receipt of allotments from the Department of Budget and Management (DBM) and the incurrence of obligations by the CHRP and other agencies of the CHRP. In lieu of this, separate registries are maintained to control the allotments and obligations for each of the four classes of allotments, namely:

- a) Registry of Allotments and Obligations – Capital Outlay (RAOCO)
- b) Registry of Allotments and Obligations – Maintenance and Other Operating Expenses (RAOMO)
- c) Registry of Allotments and Obligations – Personal Services (RAOPS)
- d) Registry of Allotments and Obligations - Financial Expenses (RAOFE)

1.1.2 This report will enhance the NGAS by presenting procedures and processes in accounting for the following transactions:

- a) Approval of Appropriations
- b) Release of Appropriations
- c) Incurrence of Obligations
- d) Payment of Obligations

1.1.3 This report will also present the methods in accounting for the budgets released to the different offices and the cash releases to the regional offices.

SCHEDULE OF APPROPRIATIONS, PER PPA

PROGRAM/PROJECT/ACTIVITY	PS	MOOE	CO	TOTAL
General Administration				
Support to Operations				
Operations				
Programs				
Program 1				
Program 2				
Program n				
Projects				
Project 1				
Project 2				
Project n				
TOTAL APPROPRIATIONS				

2.1.8 A schedule of allocations of the total appropriations per office shall also be prepared by the FMO for the give year. This will enable the offices to keep track of their budget allocation.

SCHEDULE OF APPROPRIATIONS, PER OFFICE

OFFICES	PS	MOOE	CO	TOTAL
Legal and Investigation Office				
Assistance and Visitorial Office				
Instruments and Monitoring Office				
Education and Research Office				
Government Cooperation Office				
NGO and Media Cooperation Office				
Strategic Planning and Development Office				
Office of the Chairperson				
Office of the Commissioner-in-Charge				
Office of the Executive Director				
Office of the Commission Secretary				
Financial Management Office				
General Administration Office				
<i>Regional Offices</i>				
Region 1				
Region 2				
Region n				
UNALLOCATED BUDGET				
TOTAL APPROPRIATIONS				

RELEASE OF ALLOTMENTS TO REGIONAL OFFICES AND OTHER OFFICES IN THE CENTRAL OFFICE

- 2.1.9 Upon receipt of the allotment from the DBM, the CHR shall also immediately make a corresponding transfer of allotments to the different offices. A record for each office shall be prepared using the following format of subsidiary ledger.

REGISTRY OF APPROPRIATIONS AND ALLOTMENTS ISSUED

Office:						
Date	Reference	Appropriations	Allotments and Obligations			Balance of Appropriations (3-4)
			Allotments Issued	Obligations Incurred	Balance of Allotments (4-5)	
1	2	3	4	5	6	7

RELEASE OF CASH TO THE REGIONAL OFFICES

- 2.1.10 Regional Offices are given delegated authority to administer their own allotments for the Regular Operations budget. Cash is released to them equivalent to their one month operating requirements. A ledger for the individual offices shall also be prepared to keep track of the total allotments released, the equivalent cash released for each office that will fund their allotments, and the total cash balance remaining on hand.

REGISTRY OF ALLOTMENTS AND CASH ISSUED/RECEIVED

Office:						
Date	Reference	Allotments Issued/Received	Cash Position			Balance of Unfunded Allotments (3-4)
			Cash Released/Received	Obligations Liquidated	Cash Balance (4-5)	
1	2	3	4	5	6	7

- 2.1.11 At the end of every month, the FMO shall be able to come up with reports detailing the current financial position of the CHRP in terms of the following:
- a) Balances of Unreleased Appropriations
 - b.1 CHRP
 - b.2 per office – ROs and other CO Offices
 - b) Allotment Balances
 - b.1 CHRP
 - b.2 per office – ROs and other CO Offices
 - c) Balances of Unfunded Allotments
 - b.1 CHRP
 - b.2 per office – ROs and other CO Offices
 - d) Balances of Unliquidated Obligations
 - c.1 CHRP
 - c.2 per office – ROs and other CO Offices
 - e) Cash Balances/Cash Position
 - d.1 CHRP
 - d.2 per office – ROs and other CO Offices
- 2.1.12 These reports are for internal purposes only so that each office will be able to track down how well it has used its resources to fund the various programs, projects, and activities under each office.
- 2.1.13 The reporting requirements of the oversight agencies which is currently being done by the CHRP shall continue to be in force and strictly complied with.