


|  |  |  |
|--|--|--|
|  <p>Republic of the Philippines<br/> <b>City of Koronadal Water District</b><br/>         Block I, Casa Subd., Zone III,<br/>         City of Koronadal, South Cotabato</p> | DOC ID No.:<br><b>CKWD-QP-ABCMD-003</b>                                  | Date of Issuance:<br><b>02-03-2017</b> |
|  | Division/Section:<br><b>ACCTG., BGT &amp; CSH<br/>         MGT. DIV.</b> | Revision No.:<br><b>0</b>              |
| <b>TITLE:</b>  | <b>DISBURSEMENT CONTROL PROCEDURE</b>                                    |  |
|  |  | Date of Revision:<br><b>-</b>          |

**I. OBJECTIVE**

This procedure describes the process of settling government obligations in the form of Check and Petty Cash Disbursement.

**II. SCOPE**

This procedure covers the preparation and processing of Disbursement Vouchers (DV). It also includes issuance and releasing of checks. Likewise, it covers request for reimbursement through petty cash, utilization of petty cash and its replenishment.

**III. DEFINITION OF TERMS**

- a. DV-Disbursement Voucher is a form used to record and is use check payments. It also contains a brief explanation of transaction.
- b. JEV-Journal Entry Voucher is a form where accounting entries are entered and contains a brief explanation of transaction. It serves as a basis for recording the transaction in the book of accounts.
- c. Petty Cash – refers to cash kept on hand by the head cashier used to reimburse for small purchases not to exceed the amount approved by the management.
- d. SD – Supporting documents are documents that contain written information essential to provide back - ups and support for the validity of payments.


**IV. REFERENCED DOCUMENTS**

- a. Commercial Practices for Water Districts
- b. Manual on the New Government Accounting System
- c. Revised Documentary Requirements for Common Government Transactions

**V. RESPONSIBILITY AND AUTHORITY**

- a. Accounting Processor shall be responsible for:
  - i. Checking/Ensuring that SD are complete and approved
  - ii. Preparation of Disbursement Vouchers and Journal Entry Vouchers necessary for the issuance and releasing of checks; and
  - iii. Submission of required check disbursement reports on time.
- b. Division Manager - shall be responsible in verifying the compliance of disbursements with existing laws, policies, rules and regulations.
- c. Department Manager - shall be responsible for certifying the availability of funds. Likewise, shall also be accountable as to the correctness, completeness and validity of transactions.
- d. Head Cashier – shall be responsible for keeping the petty cash fund, reimburse small expenditures not to exceed the amount as approved by the management and replenish the same when utilization reaches the 75% threshold.

|   |                    |              |
|---|--------------------|--------------|
| This document is updated and controlled if it bears the red "CONTROLLED COPY" stamp. Otherwise, please refer to the Document Control Center (DCC) for updated copy. | Registration Date: | -            |
|   | Distribution Date: | -            |
|   | Page Number:       | Page 1 of 26 |

|  |  |  |
|--|--|--|
|  <p>Republic of the Philippines<br/> <b>City of Koronadal Water District</b><br/>         Block I, Casa Subd., Zone III,<br/>         City of Koronadal, South Cotabato</p> | DOC ID No.:<br><b>CKWD-QP-ABCMD-003</b>                                  | Date of Issuance:<br><b>02-03-2017</b> |
|  | Division/Section:<br><b>ACCTG., BGT &amp; CSH<br/>         MGT. DIV.</b> | Revision No.:<br><b>0</b>              |
| <b>TITLE:</b>  | <b>DISBURSEMENT CONTROL PROCEDURE</b>                                    |  |
|  |  | Date of Revision:<br><b>-</b>          |


- e. Sr. Corporate Budget Specialists shall be responsible in recording the budget utilization to the Budget Control Ledger and must ensure that all expenditures are within the Approved Annual Budget.
- f. The General Manager shall be responsible for the approval of payment.

**VI. PROCEDURE DETAILS**

**a. Check Disbursement**


| Process Flow                        | In-charge            | Process Description   | Records   |
|-------------------------------------|----------------------|---|---|
| START                               |                      |   |   |
| ↓                                   |                      |   |   |
| Receiving of Supporting Documents   | Accounting Processor | Shall receive request for payment together with complete original supporting documents as required by existing laws, rules, and regulations.<br><br>Note: For required supporting documents, please refer to Documentary Requirements for Common Government Transactions. | Purchase Order<br>Request for Cash Advance, etc.<br><br>Request for Reimbursement<br>Liquidation Report<br>Budget Utilization Request |
| ↓                                   |                      |   |   |
| Preparation of Disbursement Voucher | Accounting Processor | Shall prepare the DV in two (2) copies.<br><br>Shall record the Check Disbursements to the Check Disbursement Record.<br><br>Note: DV shall be numbered in series.  | Disbursement Voucher/Check Disbursement Summary   |
| ↓                                   |                      |   |   |
| Issuance of Check                   | Accounting Processor | Shall issue check with duplicate copy.<br><br>Note: Check shall be issued in sequence based on the check number. It must be dated, must bear the name of payee, and amount of allowable disbursement expressed in pesos.  | Check Disbursement Summary  |
| ↓                                   |                      |   |   |
| A                                   |                      |   |   |

|   |                    |              |
|---|--------------------|--------------|
| This document is updated and controlled if it bears the red "CONTROLLED COPY" stamp. Otherwise, please refer to the Document Control Center (DCC) for updated copy. | Registration Date: | -            |
|   | Distribution Date: | -            |
|   | Page Number:       | Page 2 of 26 |

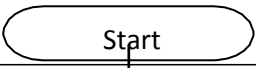
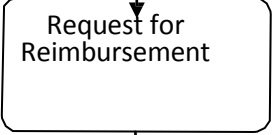
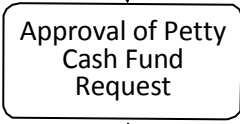
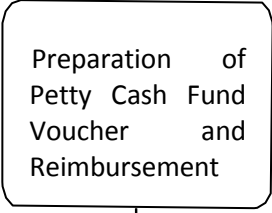

|  |  |  |
|--|--|--|
|  <p>Republic of the Philippines<br/> <b>City of Koronadal Water District</b><br/>         Block I, Casa Subd., Zone III,<br/>         City of Koronadal, South Cotabato</p> | DOC ID No.:<br><b>CKWD-QP-ABCMD-003</b>                                  | Date of Issuance:<br><b>02-03-2017</b> |
|  | Division/Section:<br><b>ACCTG., BGT &amp; CSH<br/>         MGT. DIV.</b> | Revision No.:<br><b>0</b>              |
| <b>TITLE:</b>  | <b>DISBURSEMENT CONTROL PROCEDURE</b>                                    |  |
|  |  | Date of Revision:<br><b>-</b>          |

|   |                                 |  |  |
|---|---------------------------------|--|--|
| A   |                                 |  |  |
| ↓   |                                 |  |  |
| Preparation of Journal Entry Voucher            | Accounting Processor            | Shall assign proper account title and corresponding codes of the transaction reflecting the date, amount and JEV number.   | Journal Entry Voucher                          |
| ↓   |                                 |  |  |
| Verification and approval of Check Disbursement | Sr. Corporate Budget Specialist | Shall record the budget utilization in the Budget Control Ledger.  | Disbursement Voucher                           |
| ↓   | Accounting Division Manager     | Shall review the disbursements and supporting documents.   |  |
| ↓   | Department Manager              | Shall certify the availability of funds and sign the check.  |  |
| ↓   | General Manager                 | Shall approve the DV and sign the check  |  |
| Releasing of Checks                             | Accounting Processor            | Shall release check payments to payees/claimants.  |  |
| ↓   |                                 |  |  |
| Distribution of files                           | Accounting Processor            | Shall distribute the copies to the following: <ul style="list-style-type: none"> <li>• Original copy with complete supporting documents to COA.</li> <li>• Duplicate copy to accounting file.</li> </ul> | Disbursement Voucher and Journal Entry Voucher |
| ↓   |                                 |  |  |
| End   |                                 |  |  |


|   |                    |              |
|---|--------------------|--------------|
| This document is updated and controlled if it bears the red "CONTROLLED COPY" stamp. Otherwise, please refer to the Document Control Center (DCC) for updated copy. | Registration Date: | -            |
|   | Distribution Date: | -            |
|   | Page Number:       | Page 3 of 26 |

|  |  |  |
|--|--|--|
|  <p>Republic of the Philippines<br/> <b>City of Koronadal Water District</b><br/>         Block I, Casa Subd., Zone III,<br/>         City of Koronadal, South Cotabato</p> | DOC ID No.:<br><b>CKWD-QP-ABCMD-003</b>                                  | Date of Issuance:<br><b>02-03-2017</b> |
|  | Division/Section:<br><b>ACCTG., BGT &amp; CSH<br/>         MGT. DIV.</b> | Revision No.:<br><b>0</b>              |
| <b>TITLE: DISBURSEMENT CONTROL PROCEDURE</b>   | Date of Revision:<br>-   |  |

**VII. Petty Cash Fund Utilization**

| Process Flow  | In-charge           | Process Description   | Records  |
|---|---------------------|---|--|
|    |                     |   |  |
|    | Requesting Employee | <p>Shall fill – up the Petty Cash Fund Request Form according to the allowable reimbursable amount as approved by the irrespective department heads.</p> <p>Note: The management has approved the maximum of P500.00 per transaction.</p> <p>Shall secure approval from the Finance Department Head and submit it together with the Official Receipt and other supporting documents to the head cashier for reimbursement.</p> <p>Note: In the absence of Official Receipt, RER shall be given together with the Temporary Receipt as substitute thereof.</p> | Official Receipt<br>Reimbursement Expenses Receipt (RER)<br>Petty Cash Fund Request Form |
|  | Department Head     | Shall approve the Petty Cash Fund Request.  | Petty Cash Fund Request Form   |
|  | Head Cashier        | <p>Shall prepare a Petty Cash Fund Voucher to document there imbursement transaction.</p> <p>Shall reimburse the requesting employee the amount reflected on the Approved Petty Cash Fund Request Form and Petty Cash Fund Voucher.</p> <p>Shall secure the proper documentation of the receipt of reimbursement by the requesting employee.</p>  | Petty Cash Fund Request Form<br>Petty Cash Fund Voucher                                  |
|  |                     |   |  |

|   |                    |              |
|---|--------------------|--------------|
| This document is updated and controlled if it bears the red “CONTROLLED COPY” stamp. Otherwise, please refer to the Document Control Center (DCC) for updated copy. | Registration Date: | -            |
|   | Distribution Date: | -            |
|   | Page Number:       | Page 4 of 26 |

|  |  |  |
|--|--|--|
|  <p>Republic of the Philippines<br/> <b>City of Koronadal Water District</b><br/>         Block I, Casa Subd., Zone III,<br/>         City of Koronadal, South Cotabato</p> | DOC ID No.:<br><b>CKWD-QP-ABCMD-003</b>                                  | Date of Issuance:<br><b>02-03-2017</b> |
|  | Division/Section:<br><b>ACCTG., BGT &amp; CSH<br/>         MGT. DIV.</b> | Revision No.:<br><b>0</b>              |
| <b>TITLE: DISBURSEMENT CONTROL PROCEDURE</b>   | Date of Revision:<br><b>-</b>  |  |

|  |              |   |   |
|--|--------------|---|---|
| A  |              |   |   |
| ↓  |              |   |   |
| <div style="border: 1px solid black; padding: 5px; width: fit-content; margin: auto;">Posting of Transaction to Petty Cash Fund Book</div> | Head Cashier | Shall post the entries in the Petty Cash Fund Voucher to the Petty Cash Fund Book.<br><br>Shall Maintain a Petty Cash Fund Book.  | Petty Cash Fund Book  |
| ↓  |              |   |   |
| <div style="border: 1px solid black; padding: 5px; width: fit-content; margin: auto;">Request for Replenishment</div>                      | Head Cashier | Shall summarize the expenses paid out from the petty cash fund in the Petty Cash Fund Utilization Form the moment Petty Cash Fund utilization reaches 75%.<br><br>Shall submit the Petty Cash Fund Replenishment Form together with the supporting documents to the Accounting Processor for the Replenishment of Petty Cash Fund through Check Disbursement and for making of correct Journal Entries. | Petty Cash Fund Voucher Summary<br><br>Budget Utilization Request |
| ↓  |              |   |   |
| <div style="border: 1px solid black; border-radius: 15px; padding: 5px; width: fit-content; margin: auto;">End</div>                       |              |   |   |


a Reports

| Reports                    | Frequency | Responsible          |
|----------------------------|-----------|----------------------|
| Check Disbursement Summary | Monthly   | Accounting Processor |
|                            |           |                      |

**VIII. PERFORMANCE INDICATORS**

- a. All disbursements are within the Approved Annual Budget.
- b. All disbursements are in accordance with existing laws, rules, and regulations.
- c. All disbursement records are maintained and made ready for audit.
- d. Petty Cash is available at all times.

|   |                    |              |
|---|--------------------|--------------|
| This document is updated and controlled if it bears the red "CONTROLLED COPY" stamp. Otherwise, please refer to the Document Control Center (DCC) for updated copy. | Registration Date: | -            |
|   | Distribution Date: | -            |
|   | Page Number:       | Page 5 of 26 |

|  |  |  |
|--|--|--|
|  <p>Republic of the Philippines<br/> <b>City of Koronadal Water District</b><br/>         Block I, Casa Subd., Zone III,<br/>         City of Koronadal, South Cotabato</p> | DOC ID No.:<br><b>CKWD-QP-ABCMD-003</b>                                  | Date of Issuance:<br><b>02-03-2017</b> |
|  | Division/Section:<br><b>ACCTG., BGT &amp; CSH<br/>         MGT. DIV.</b> | Revision No.:<br><b>0</b>              |
| <b>TITLE:</b>  | <b>DISBURSEMENT CONTROL PROCEDURE</b>                                    |  |
|  |  | Date of Revision:<br><b>-</b>          |

**IX. ATTACHMENTS AND FORMS**

- a. AFD - 004-0 – Reimbursement Expenses Receipt
- b. AFD - 005-0 – Petty Cash Fund Request Form
- c. AFD - 006-0 – Petty Cash Fund Voucher
- d. AFD - 007-0 – Petty Cash Fund Voucher Summary
- e. AFD - 008-0 – Liquidation Report
- f. AFD - 009-0 – Budget Utilization Request Form
- g. AFD - 010-0 – Disbursement Voucher
- h. AFD - 011-0 – Journal Entry Voucher
- i. AFD - 012-0 – Check Disbursement Record

|   |                    |              |
|---|--------------------|--------------|
| This document is updated and controlled if it bears the red "CONTROLLED COPY" stamp. Otherwise, please refer to the Document Control Center (DCC) for updated copy. | Registration Date: | -            |
|   | Distribution Date: | -            |
|   | Page Number:       | Page 6 of 26 |