OVERVIEW OF THE PAYMENT PROCESS
BY THE DIVISION OFFICE

by:
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Every cycle has its start and end. After the execution of activity on budget proposal or purchase of supplies, the Division Office will receive the invoice from the supplier who contributes goods and services. The Supply Unit will collate the documentary requirements for common government transaction to comply with the COA Circular No. 2012-001. Some attachments needed are Approved Purchase Request, Purchase Order, Request for Quotation, Summary of Canvas, Committee on Awards, Inspection and Acceptance Report and other documents that may prove the legality and existence of transaction. There are also additional requirements needed like BAC (Bid and Award Committee) Resolution if ever a disclosure should be made regarding the bidding that takes place since all transactions must comply with Republic Act 9184 known as the “Government Procurement Reform Act”. The posting on Philgeps website is also necessary when the amount exceeded 50,000 Philippine Pesos. In case of Food, Venue and Accommodation, there must be an accomplishment report and attendance for each day of training. These are just some attachments needed, and the documentary requirements for each transaction vary depending on what is to be paid by Division.

Once, the attachments are complete, the clerk at the Accounting Unit will check the attachments and prepare the Obligation Request and Status, Disbursement Vouchers and Journal Entry Vouchers. If ever there are problems and the document required by the standards is not met, the papers will be returned to the proponent. After compliance, these will be forwarded to the Budget Unit for processing.
There are three fund clusters maintained by the Budget Unit under Registry of Allotment, Obligations and Disbursement (RAOD). These are Personal Services, Maintenance and Other Operating Expenses and Capital Outlay. Each time a disbursement is made, these registries are adjusted to avoid overdraft of spending to the obligation of the entity. Through Obligation Request and Status, the Budget Officer certifies the validity of appropriation. The recording does not end here, it further adjusted through Notice of Obligation Request and Status Adjustment issued by Accounting Unit if there are changes to the actual claim to what is obligated.

After recording of the budget, it will be forwarded back to the Accounting Unit. The Accountant of the division will verify the correctness and completeness of attachments. If there are no more clarifications and the attachments are already in compliance with standards, the Head of the Unit will affix signature to certify the availability of cash, authority to debit account if applicable and supporting documents are complete and the amount claimed is proper. The Division Bookkeeper will now proceed with the recording of the vouchers at the Subsidiary Ledgers and prepare the hard copy of transmittal to forward the vouchers to the Cash Unit.

After receiving the vouchers, the Cash Unit will process the vouchers for payment. The head of Cash Unit will verify the completeness of signature on the disbursement vouchers; review the amount of the check and sign it. The releasing staff will now record the vouchers in the logbook for the submission to the approving authority. The Authorized Official will countersign the check and the staff of Schools Division Superintendent will return it to the cashier for the releasing of checks.

References:

COA Circular No. 2012- 001
COA Circular No. 2013- 001
Government Accounting Manual for National Government Agencies
Republic Act 9184. “Government Procurement Reform Act”