



PROCESS MANUAL
BUREAU OF LOCAL GOVERNMENT
FINANCE

BLGF-PM-04-08

Revision Code: 00

Page 1 of 6

Section: **SUPPORT**

Effectivity Date: 01-19-2018

Subject: **DISBURSEMENT**

1. PURPOSE:

To ensure that all disbursement vouchers are thoroughly reviewed for legitimacy and accuracy, and all payables are processed and documented for timely and accurate disbursement.

2. SCOPE:

This procedure covers activities from the preparation of Disbursement Voucher (DV), receipt of approved DV, processing of payments via online or check, issuance of payments, and preparation of disbursement reports for Accounting.

3. DEFINITION OF TERMS:

- a. **DV** – Disbursement Voucher
- b. **CDR** - Check Disbursement Record
- c. **ADA** - Advice to Debit Account
- d. **ACIC** - Advice Check Issued and Cancelled

4. RECORDS:

TITLE/CODE	LOCATION	RETENTION CRITERIA	RETENTION PERIOD	DISPOSAL METHOD
1. Check Disbursement Record (DIS-001)	Cashier Files	NAP R.A. 9470	10 years	As per NAP Rules
2. Advice Check Issued and Cancelled (DIS-002)	Cashier Files	NAP R.A. 9470	10 years	As per NAP Rules
3. Report of Advice to Debit Account (DIS-003)	Accounting Files	NAP R.A. 9470	10 years	As per NAP Rules
4. Report of Cash Issued (DIS-004)	Accounting Files	NAP R.A. 9470	10 years	As per NAP Rules
5. Report of Disbursement (DIS-005)	Accounting Files	NAP R.A. 9470	10 years	As per NAP Rules
6. Report of Collection and Deposits (DIS-006)	Accounting Files	NAP R.A. 9470	10 years	As per NAP Rules
7. Petty Cash Report (DIS-007)	Accounting Files	NAP R.A. 9470	10 years	As per NAP Rules
8. Report for Accountability Forms (DIS-008)	Accounting Files	NAP R.A. 9470	10 years	As per NAP Rules

PREPARED BY: DIVISION CHIEF

REVIEWED BY: AFMS DIRECTOR

APPROVED BY: EXECUTIVE DIRECTOR



PROCESS MANUAL
BUREAU OF LOCAL GOVERNMENT
FINANCE

BLGF-PM-04-08

Revision Code: 00

Page 2 of 6

Section: **SUPPORT**

Effectivity Date: 01-19-2018

Subject: **DISBURSEMENT**

5. REFERENCES:

5.1 ISO Clause Reference :

- a. Clause 7 – Resources except 7.1.5.2
- b. Clause 9 - Performance Evaluation
- d. Clause 10 – Improvement

5.2 Any document which supports the implementation of the procedure:

R.A. 7160 Local Government Code of 1991

5.3 Related documents linked to the procedure – Corrective Action Procedure

PREPARED BY: DIVISION CHIEF

REVIEWED BY: AFMS DIRECTOR

APPROVED BY: EXECUTIVE DIRECTOR



PROCESS MANUAL
BUREAU OF LOCAL GOVERNMENT
FINANCE

BLGF-PM-04-08

Revision Code: 00

Page 3 of 6

Section: **SUPPORT**

Effectivity Date: 01-19-2018

Subject: **DISBURSEMENT**

6. PROCEDURE:

ACTIVITY FLOW	RESPONSIBLE	DETAILS
	<p align="center">Accountant</p> <p align="center">Division Chief</p>	<p>Prepares Disbursement Voucher (DV) Accounting</p> <p>Checks accuracy of the Disbursement Voucher. Returns DV to Accountant when there are corrections for edit and finalization.</p>
	<p align="center">Cashier</p>	<p>Receives Disbursement Voucher and prepares Check Disbursement Record. (CDR)</p> <p>CDR contains all the details of payment based on disbursement vouchers.</p>
	<p align="center">Cashier</p>	<p>Payments are made through:</p> <p>a. ADA – Advice to Debit Account. Inputs all details online.</p> <p>b. Check preparation - for non-registered ADA suppliers, cash advances, petty cash.</p>

PREPARED BY: DIVISION CHIEF

REVIEWED BY: AFMS DIRECTOR

APPROVED BY: EXECUTIVE DIRECTOR



PROCESS MANUAL
BUREAU OF LOCAL GOVERNMENT
FINANCE

BLGF-PM-04-08

Revision Code: 00

Page 4 of 6

Section: **SUPPORT**

Effectivity Date: 01-19-2018

Subject: **DISBURSEMENT**

ACTIVITY FLOW	RESPONSIBLE	DETAILS
	<p>Cashier/ Disbursing Officer</p>	<p>Brings disbursement vouchers to Directors and informs them about the payments to be made.</p>
	<p>Directors Deputy Executive Directors Director II Executive Director</p>	<p>Compares entries with vouchers and approves payments online.</p> <p>Note: 24 hours after approval, the payee can get his payment.</p>
	<p>Cashier</p>	<p>To be signed by Cashier and approving Director.</p>
	<p>Cashier</p>	<p>For validation and documentation by LBP, secures "Receiving copy" from ACIC.</p>
	<p>Cashier/ LBP</p>	<p>Issues payment online via ADA or checks through the Cashier.</p>

PREPARED BY: DIVISION CHIEF

REVIEWED BY: AFMS DIRECTOR

APPROVED BY: EXECUTIVE DIRECTOR



PROCESS MANUAL
BUREAU OF LOCAL GOVERNMENT
FINANCE

BLGF-PM-04-08

Revision Code: 00

Page 5 of 6

Section: **SUPPORT**

Effectivity Date: 01-19-2018

Subject: **DISBURSEMENT**

ACTIVITY FLOW	RESPONSIBLE	DETAILS
<p align="center">C</p> <p align="center">↓</p> <p align="center">ISSUE OFFICIAL RECEIPT</p>	<p align="center">Supplier</p>	<p>Issues OR to BLGF after receiving payment.</p>
<p align="center">↓</p> <p align="center">MAINTAIN CASH BOOK FOR PETTY CASH</p>	<p align="center">Disbursement Officer</p>	<p>Maintains and disburses petty cash. Make replenishment as necessary.</p> <p>All issued payments are recorded in the Cashier Logbook.</p>
<p align="center">↓</p> <p align="center">PREPARE REPORTS FOR ACCOUNTING</p> <p align="center">↓</p> <p align="center">D</p>	<p align="center">Disbursement Officer, Cashier</p>	<p>Prepares the following daily report reports for Accounting:</p> <ul style="list-style-type: none"> • Report of Advice to Debit Account Issued • Report of Cash Issued (RCI) • Report of Disbursement • Report of Collection and Deposits • Petty Cash Report • Report for Accountability and Accountable Forms (monthly) <p>Cashier and Division Chief reviews and signs the reports.</p>

PREPARED BY: DIVISION CHIEF

REVIEWED BY: AFMS DIRECTOR

APPROVED BY: EXECUTIVE DIRECTOR



PROCESS MANUAL
BUREAU OF LOCAL GOVERNMENT
FINANCE

BLGF-PM-04-08

Revision Code: 00

Page 6 of 6

Section: **SUPPORT**

Effectivity Date: 01-19-2018

Subject: **DISBURSEMENT**

ACTIVITY FLOW	RESPONSIBLE	DETAILS
	<p align="center">Division Chief</p>	<p>Reviews activities to see where quality improvements can be done in the process.</p>
	<p align="center">Division Chief</p>	<p>Determines if performance targets were achieved.</p> <p>For unmet targets: Refer to Corrective Action Procedure.</p> <p>Submits complete monthly accomplishment report and performance report to immediate superior every first week of the month.</p>

PREPARED BY: DIVISION CHIEF

REVIEWED BY: AFMS DIRECTOR

APPROVED BY: EXECUTIVE DIRECTOR