

# [ LETTER OF INSTRUCTIONS NO. 767, November 16, 1978 ]

## **DIRECTING THE IMPROVEMENT OF BUDGET EXECUTION AND CASH IN THE NATIONAL GOVERNMENT**

TO:     The Minister of the Budget  
          The Minister of finance  
          The Acting Chairman, Commission on Audit  
          The National Treasurer

WHEREAS, the regionalization of National Government Offices is a basic principle of the New Society;

WHEREAS, experience has indicated the need for rationalizing fiscal procedure pertaining to budget and cash management in regional units of government agencies;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, do hereby Order and Instruct:

1. The Minister of the Budget shall evaluate the fiscal procedure individually adopted by the various Ministries/bureaus /Offices/Agencies of the national government, particularly those concerning the sub-allotment to Regional Offices of obligational authority and cash disbursement ceilings, and the monitoring procedure covering the utilization of funds at regional levels. On the basis of his findings, the Minister of the Budget shall design a uniform system, including guidelines, procedures and forms, which will be adopted by all agencies and their regional offices as part of the execution and accountability phases of regional budgeting,
2. The Minister of the Budget shall review the organization and staffing of agency budget end accounting offices, with the following aims:
  - a. to assess their adequacy at regional levels;
  - b. to establish the optimal degree of authority delegation of budget and accounting functions from Central to Regional Offices.

As part of this work, the Minister of the Budget shall conduct a systems study and submit recommendations for organizational/staffing/systems improvements in the budgeting and accounting functions, focusing on the relationship between the Central and Regional Offices of Ministries/Agencies.

3. The Minister of Finance and the National Treasurer shall reassess the existing system of preparing and controlling the issuance of Treasury Warrants, including the Treasury Current Account for Agencies (TCAA). Improvements shall be instituted so as to achieve the following objectives:
  - a. Prompt reconciliation of the cash records of Agency Central/Regional Offices and the Treasury;
  - b. Control over Treasury Warrants issued in order that these are kept within approved cash disbursement ceilings;
4. The Acting Chairman, Commission on Audit, shall institute such measures as may be necessary: