

[ Act No. 1792, October 12, 1907 ]

**AN ACT PROVIDING, WITH THE CONSENT OF THE SECRETARY OF WAR FIRST HAD, FOR A SYSTEM OF MONEY AND PROPERTY ACCOUNTABILITY FOR THE GOVERNMENT OF THE PHILIPPINE ISLANDS AND ITS SUBORDINATE BLANCHES, AND REPEALING ACTS NUMBERED NINETY, ONE HUNDRED AND FORTY-FIVE, TWO HUNDRED AND FIFTEEN, THREE HUNDRED AND TWENTY-EIGHT. NINE HUNDRED AND NINE, FOURTEEN HUNDRED AND TWO, AND ALL ACTS AND PARTS OF ACTS IN CONFLICT HEREWITH.**

*By authority of the United States, be it enacted by the Philippine Commission, that:*

SECTION 1. This Act shall be known as the "Accounting Act," and shall not; be considered as amended or repealed in any part by subsequent legislation, unless specifically so stated in the amending or repealing Act.

THE AUDITOR.

SEC. 2. There shall be an Auditor for the Islands, who shall be Director of the Bureau of audits, and who shall be appointed by the Secretary of War, with the concurrence of the governor-General and the approval of the Philippine Commission. The duty of the Auditor shall be to examine, audit, and settle all accounts pertaining to the revenues and receipts from whatever source of the Insular Government and of the city of Manila, including trust funds and funds derived from bond issues: and to audit, in accordance with law and administrative regulations, all expenditures of funds or property pertaining to or held in trust by the Insular Government and the city of Manila, and shall, through a corps of district auditors, perform a like duty with respect to the revenues, receipts, and expenditures of the provinces, municipalities, townships, settlements, or other government branches.

He shall keep the general accounts of the government and preserve the vouchers pertaining thereto.

It shall be the duty of the Auditor to bring to the attention of the proper administrative officer expenditures of funds or property which, in his opinion, are irregular, unnecessary, excessive, or extravagant.

SEC. 3. There shall be Deputy Auditor, two assistant auditors and district auditor, to be appointed in the office. They shall sign such official papers as the Auditor may designate and perform such other duties as the Auditor may prescribe. In case of the death, resignation, sickness, or other absence of the Auditor from his office from any cause, the Deputy Auditor shall have charge of the Bureau of Audits as Acting Auditor. In case of the absence from duty from any cause of both the Auditor and the Deputy Auditor, one of the assistant auditors, or the chief district auditor, to be designated by the Governor-General, shall have charge of the Bureau as Acting Auditor.

SEC. 4. There shall be a chief clerk to the Auditor, to be appointed by the Auditor, subject to the provisions of the Philippine Civil Service Act, and the chief clerk shall

perform such duties as may be prescribed by the Auditor.

SEC. 5. The official the of the Auditor, to be affixed to his official signature, shall be "Auditor for the Philippine Islands," and the official title of the Deputy Auditor shall be "Deputy Auditor for the Philippine Islands:" *Provided*, That for the sake of brevity the words "Auditor" and "Deputy Auditor" may be used where the full title of the office otherwise appears on the document or paper requiring signature, and that as a distinctive title the words "Insular Auditor" may be used.

Sec. 6. The jurisdiction of the Auditor over accounts, whether of funds or property, and all vouchers and records pertaining thereto, shall be exclusive. With the approval of the Governor-General he shall from time to time make and promulgate general or special rules and regulations not inconsistent with law covering the methods of accounting for public funds and property and funds and property held in trust by the Insular Government or any of its branches: *Provided*, That any Director of Bureau or other officer accountable for public funds or properly under the provisions of this Act may require such additional reports or returns from his subordinates or others as he may deem necessary for his own information and protection.

The decisions of the Auditor shall be final and conclusive upon the executive branches of the Government, except that appeal therefrom may be taken by the party aggrieved or the head of the Department concerned, within one year, in the manner hereinafter prescribed. The Auditor shall, except as hereinafter provided, have like authority as that conferred by law upon the several Auditors of the United States and the Comptroller of the United States Treasury, and is authorized to communicate directly with any person having claims before him for settlement, or with any Department, officer, or person having official relations with his office.

SEC. 7. The Auditor shall forward to the Secretary of War, as soon as practicable and within sixty days after the expiration of each month, a statement of all receipts of the Government of whatever class, and payments of moneys made on warrants or otherwise during the preceding month, and such other statements of the finances of the Government as may be required by the Secretary of War.

SEC. 8. As soon after the close of each fiscal year as the accounts of said year may be examined and adjusted, the Auditor shall submit to the Governor-General, the Philippine Commission, and the Secretary of War an annual report of the fiscal concerns of the Government, showing the receipts and disbursements of the various Departments and Bureaus of the Insular Government and of the various provinces and municipalities, and make such other reports as may be required of him by the Governor-General, the Philippine Commission, or the Secretary of War.

SEC. 9. In the execution of their duties the Auditor, the Deputy Auditor the assistant auditors, the chief district auditor, and the district auditors are authorized to summon witnesses, administer oaths, and to take evidence, and, in the pursuance of these provisions, may issue subpoenas and enforce the attendance of witnesses in the manner provided in the case of provincial fiscals in section two of Act Numbered Three hundred and two.

SEC. 10. The Auditor shall have and keep an official seal, upon which shall be engraved the following design: "Office, Auditor for Philippine Islands, official

seal." The Auditor shall affix his official seal to all copies or transcripts of papers in his office which he may be required to certify.

#### THE TREASURER.

SEC. 11. There shall be a Treasurer of the Islands, to be appointed in the same manner as the Auditor, who shall be Director of the Bureau of the Treasury. The Treasurer of the Islands shall receive and safely keep all moneys arising from the revenues and receipts of the islands from whatever source derived, including cash and depositary funds of whatever nature, and shall keep proper accounts thereof in permanent books of record, and shall disburse the same only on warrants, countersigned by the Auditor or his designated subordinate, or otherwise in accordance with law, and he shall be held responsible for indorsements upon such warrants except as hereinafter provided: *Provided*, That depositary funds shall be disbursed upon the official check of the officer or agent in whose name such funds were deposited. The official title of the Treasurer to be affixed to his official signature shall be "Treasurer of the Philippine islands:" *Provided*, That for the sake of brevity the words "Treasurer" and "Assistant Treasurer" may be used where the full title of the office otherwise appears on the document or paper requiring signature and that as a distinctive title the words "Insular Treasurer" may be used.

SEC. 12. There shall be an Assistant Treasurer of the Islands, to be appointed in the same manner as the Auditor. The duties of the Assistant Treasurer shall be, under the supervision of the Treasurer, to receive and disburse cash in the office of the Treasurer, to have charge of the cash room, and to perform such other duties as the Treasurer may assign to him. He shall have charge of the Bureau of the Treasury in case of the death, resignation, sickness, or other absence of the Treasurer.

SEC. 13. The Secretary of Finance and Justice is authorized to designate, from time to time, either the chief clerk, the paying teller, or the receiving teller of the Bureau of the Treasury as Acting Assistant Treasurer during the absence of the Assistant Treasurer and when the Assistant Treasurer, by virtue of his office, is performing the duties of Acting Treasurer. In the absence of both the Treasurer and the Assistant Treasurer the employee so designated shall take charge of the Bureau as Acting Treasurer.

SEC. 14. The Treasurer shall render daily accounts of the receipts and disbursements of his office and submit the same to the Auditor. In rendering such accounts the Treasurer shall charge himself with all funds received during the period covered by the account, and shall credit himself with all funds paid upon warrants, which warrants shall be submitted with his accounts to the Auditor for examination: *Provided*, That: the Insular Treasurer shall have the custody of all paid warrants for two years after the date of their issue, when his responsibility for indorsements thereon to the Government and to the payee shall proscribe and cease, and they shall thereafter be filed with the Auditor.

SEC. 15. The Treasurer shall forward to the Secretary of War, through the Bureau of Audits for certification, not later than ten days after the expiration of each month, such report, duly certified, as may be required of moneys received, together with a statement of disbursements made.

SEC. 16. The Treasurer and Assistant Treasurer shall give bonds, to be approved by

the Governor-General, for the faithful performance of the duties of their respective offices, in such amounts as shall from time to time be fixed by the Governor-General. An additional separate record of such bonds shall be kept in the office of the Auditor.

#### TREASURER RECEIPTS.

SEC. 17. The Treasurer shall issue receipts for all moneys received by him pertaining to the Insular Government or the city of Manila, which shall be numbered consecutively, a series for each fiscal year, and shall bear the date upon which deposit was actually made and show from whom and on what account received. All such receipts shall be registered and countersigned by the Auditor or his duly authorized subordinate, without which they shall be invalid, and for this purpose the Treasurer shall transmit all receipts when issued to the Auditor, who, after registry and countersignature, shall transmit such receipts to the depositor.

#### WARRANTS.

SEC. 18. Warrants upon the Treasurer for the payment of public moneys shall be issued by the Director of Bureau or other person charged by law with the control of an appropriation, or by such subordinate as shall be designated for such duty by the head of the Department to which, such Bureau or Office pertains, either to the order of any creditor of the Government or to the order of an officer or agent designated under the provisions of section twenty of this Act for disbursement for official purposes, but in the latter case the words "advance for official expenditures" shall be plainly stated upon each such warrant: *Provided*, That warrants drawn upon appropriations for the city of Manila, shall be issued by such officer or agent as shall be designated by the Municipal Board, with the approval of the Governor-General: *And provided further*, That warrants chargeable to appropriations for unassigned service shall be drawn by such officer as shall be designated by law or, in the absence of such designation, as shall be designated by the Governor-General. No warrant shall be paid by the Treasurer without the counter-signature of the Auditor, the Deputy Auditor, one of the assistant auditors, the chief district auditor, or such other employee of the Bureau of Audits as may be duly authorized therefor in writing by the Auditor before payment thereof may be made by the Treasurer, and no warrant due and payable shall be held by the Auditor without action for more than twenty-four hours, exclusive of Sundays and legal holidays.

SEC. 19. Every payment of public moneys in the city of Manila, except for salaries and wages, shall be made by warrant issued in provisions of this Act: *Provided*, That payments for other purposes in the city of Manila not exceeding one hundred pesos in any one case and salaries and wages to whatever extent may be made from funds drawn for disbursement for official purpose.

#### COLLECTING AND DISBURSING OFFICERS.

SEC. 20. Directors of Bureaus or other officers having administrative control of appropriations are authorized to designate, with the approval of the Governor-General or proper head of Department, as the case may be, such number of officers or agents as may be necessary to disburse such appropriations: *Provided*, That at the request of any Director or officer in charge of a Bureau or Office the Insular Treasurer shall designate a subordinate of his office to make payments in cash of

monthly pay rolls in the city of Manila, and such officer or agent shall render such accounts thereof as may be required by the Insular Auditor.

SEC. 21. Except as otherwise provided in this Act, the officers or agents authorized to receive and collect moneys arising from the revenues of the Insular Government, and receipts, of whatever kind, shall be required to pay the full amounts received and collected by them, respectively, to the Insular Treasurer, promptly and without any deduction whatever, and to render to the Auditor monthly accounts therefor within five days after the expiration of the month to which they pertain, in such form as may be required by him.

SEC. 22. Transfers of Insular funds from one officer or agent to another shall be made only upon the authority of the Auditor given in advance. When there is any change in officers or agents, the outgoing officer or agent shall render an account in full showing the disposition of his unexpended balance, whether transferred to his successor in accordance with the provisions herein contained, or deposited with the Treasurer of the Islands.

SEC. 23. Every officer or agent is responsible to the Insular Government under his bond for payments of public funds or disposition of public property made by him, whether such payments or dispositions are made by direction of his superior officers or not, but the fact of such direction will not relieve him of responsibility, but the officer directing an illegal payment or disposition of funds or property shall be first held for the amount thereof: *Provided, however,* That no settled account shall be reopened by the Auditor when even material fact was before him at the time of audit and settlement.

#### ACCOUNTS.

SEC. 24. All accounts of the Treasurer of the Islands and of the various officers and agents authorized to collect the revenues, receive moneys, and make disbursements, and all other accounts subject to examination and settlement by the Auditor, shall be with the "Government of the Philippine Islands," and all balances certified by the Auditor shall be certified as due to or from said Government, as the case may be: *Provided,* That in settlements of provincial or municipal accounts such settlements shall be made with the particular province or municipality to which the account pertains.

SEC. 25. Accounts of appropriations shall be kept so as to show the balances remaining undrawn and subject to withdrawal at any time. Appropriations shall not be confined to fiscal years, but shall be available until expended for the purposes for which appropriated, subject to such restriction as may be specifically imposed in the appropriation Act. The Auditor is authorized and directed to transfer at any time, from moneys appropriated for a specific purpose, to the unappropriated general fund, any balances standing to the credit of a Department, Bureau, or Office when the head of such Department, Bureau, or Office shall, certify to the Auditor that the work or purpose for which the appropriation was made has been completed and that there are no outstanding obligations to be paid from such appropriation.

SEC. 26. Information of all orders of the Government, through its officers or agents, which may originate a claim or in any manner affect the settlement of any account, shall be transmitted to the Auditor by the officer issuing said order, under such