

[Act No. 1402, October 10, 1905]

AN ACT REPEALING ACT NUMBERED NINETY, WITH THE CONSENT OF THE SECRETARY OF WAR FIRST HAD, AND REPEALING ACT NUMBERED ONE HUNDRED AND FORTY-FIVE, AND PROVIDING FOR A SYSTEM OF MONEY ACCOUNTABILITY FOR THE GOVERNMENT OF THE PHILIPPINE ISLANDS, AND REPEALING ALL LAWS AND PARTS OF LAWS IN CONFLICT THEREWITH.

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 This Act shall be known as the ."Accounting Act" and shall not be considered as amended or repealed in any part by subsequent legislation unless specifically so stated in the amending or repealing Act.

SEC. 2. There shall be an Auditor for the Islands, who shall be Chief 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 receive, examine, and settle all accounts pertaining to the revenues and receipts derived under the Insular Government, and all expenditures paid therefrom. He shall certify the balances and charges due on such accounts to the division of bookkeeping in his office, and preserve the accounts and vouchers after settlement.

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 a Deputy Auditor for the Islands, to be appointed in the same manner as the Auditor. The duty of the Deputy Auditor shall be to sign, in the name of the Auditor, such official papers as the Auditor may designate, and perform such other duties as the Auditor may prescribe. He shall have charge of the Bureau of Audits, as Acting Auditor, in case of the death, resignation, sickness, or other absence of the 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. He shall be Acting Deputy Auditor during the absence of the Deputy Auditor and when the Deputy Auditor by virtue of his office is performing the duties of Acting Auditor. In the absence of both Auditor and. Deputy Auditor he shall take charge of the Bureau of Audits as Acting Auditor.

SEC. 5. There shall be a Treasurer of the Islands, to be appointed in the same manner as the Auditor, who shall be Chief of the Bureau of the Treasury. The Treasurer of the Islands shall receive and keep all moneys arising from the revenues and receipts of the Islands and shall disburse the same only on warrants issued and signed by the Auditor, or otherwise in accordance with law.

SEC. 6. 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. 7. Provision for such other officials, chiefs of division, clerks, and employees of the Bureau of Audits and Bureau of the Treasury as may be necessary shall be made by the Commission in general and special appropriation Acts, as the public interest may require.

SEC. 8. 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. 9. The Auditor shall issue and sign all warrants for the payments of moneys by the Treasurer, upon requisitions approved by the Auditor, and no warrants shall be drawn for the advance of moneys except upon requisition therefor made by the proper officer having control of the corresponding appropriation. No warrant shall be issued for the payment of a balance found due on any account, except upon the certificate of the Auditor, upon the settlement of such accounts, and from an appropriation in accordance with law.

SEC. 10. Warrants drawn for making advances of money from funds in the Treasurer's hands shall be denominated "accountable warrants," and shall be numbered consecutively, a separate series being preserved.

SEC. 11. Warrants drawn for the payment of balances due on claims and accounts settled and certified by the Auditor shall be denominated "settlement warrants," and shall be numbered consecutively, a separate series being preserved.

SEC. 12. All receipts issued by the Treasurer for moneys paid to him shall be in duplicate and shall be countersigned by the Auditor, b When so countersigned, one receipt in every case shall be retained in the office of the Auditor, and the other shall be delivered or transmitted by the Auditor to the person by whom the payment was made, after the same has been duly registered by the Auditor.

SEC. 13. The receipts retained by the Auditor will constitute the necessary check in his examination and settlement of the Treasurer's account of receipts, as the authority for charging the Treasurer with moneys received, and such receipts shall be filed in the office of the Auditor with the accounts in which credit is given.

SEC. 14. Warrants paid by the Treasurer with the evidence of payment, which shall be the proper indorsement of the payee thereon, shall constitute the vouchers upon which the Treasurer shall receive credit for payments made by him, in the settlement of his accounts by the Auditor, which warrants shall be filed therewith: *Provided*, That a warrant may be drawn to the Treasurer, for deposit of proceeds to the credit of a designated disbursing officer, or for telegraphic transfer to such

disbursing officer, and the Treasurer shall receive credit for the payment of said warrant upon evidence of such deposit or transfer.

SEC. 15. The certificates on the settlement of accounts made by the Auditor shall be numbered consecutively and filed in the office of the Auditor, who shall preserve the same.

SEC. 16. The Auditor shall prescribe the forms for keeping and rendering all accounts subject to his examination and settlement, and issue all necessary instructions to the officers and agents rendering such accounts.

SEC. 17. There shall be in the Bureau of Audits a division of bookkeeping, in which shall be kept proper books of entry and ledgers for recording the general accounts of the receipts, expenditures, and appropriations of the Insular Government and of the provincial governments, and the personal accounts of the officers and agents authorized to collect revenues, receive funds, and to disburse moneys advanced by the Treasurer upon warrants as herein provided, or otherwise, and of all other accounts or claims allowed and certified by the Auditor.

SEC. 18. 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 limited 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 appropriating 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. The Auditor, for statistical purposes, shall separate disbursements by fiscal years, and the date of the payment of a claim shall determine the fiscal year to be charged.

SEC. 19. The receipts issued by the Treasurer for moneys paid to him, before being countersigned by the Auditor, shall be entered by the division of bookkeeping in the proper ledgers of general receipts as funds arising, respectively, from customs receipts, postal receipts, internal-revenue receipts, miscellaneous receipts, repayments, and such other designations as may be required to properly distinguish funds otherwise arising or set apart for particular purposes. In making such entries from the Treasurer's receipts, the number and date of receipt and the name and official designation, if any, of the person by whom the deposit was made, shall be noted. Repayments to the Treasury for any purpose shall be entered in the accounts affected by such repayment.

SEC. 20. All warrants issued by the Auditor shall be charged against the proper appropriation, and in making such debit entries the number and date of the warrant and the name and official designation, if any, of the person to whom paid, shall be noted.

SEC. 21. In ledgers for personal accounts all advances of money made upon requisitions and warrants to officers and agents authorized to disburse the same, in accordance with appropriations, shall be charged to such officers or agents, respectively, on account of the service and appropriation for which disbursement is

to be made, at the time of issuing the warrants for such advances of money. The numbers and dates of the respective warrants shall be noted in making such debit entries, and for the disbursements made by such officers or agents, which may be allowed by the Auditor in the settlement of accounts of such disbursements, proper credit shall be entered to the respective personal accounts from the certificates of settlement made by the Auditor, the number and dates of the respective certificates being noted in making the credit entries. The Auditor is authorized to charge back and debit: an officer's account with the amount of any voucher or item which may not be finally allowed by him in the settlement of the officer's account.

SEC. 22. In like manner the certificates of settlement of individual accounts of all kinds made by the Auditor shall be entered in the ledgers of personal accounts to the proper individual account, on account of the service and appropriation for which the account is rendered, the number and date of the Auditor's certificate being noted; and all settlement warrants issued upon certificates of settlement of accounts made by the Auditor shall be charged to the proper individual account, under the appropriate head, in the ledgers of personal accounts, the number and date of the warrant being noted.

SEC. 23. In making the settlement of each account, and before certifying the same, the Auditor shall require a statement from the division of bookkeeping setting forth the charges with which said officer should be debited during the period comprehended by the settlement. The last certified balances on the particular accounts shall be verified by the previous certificate of settlement, if any. These balances and charges shall be used as the basis of the Auditor's settlement of the account before him.

SEC. 21. Chiefs of Bureaus, subject to approval by the Governor-General or by the heads of Department as the business may relate, are authorized to appoint such number of disbursing officers as may be necessary to disburse the moneys appropriated for the various Departments, Bureaus, and Offices. Each disbursing officer shall give a bond, in a sum to be fixed by the Auditor, for the faithful performance of his duties and the accounting for all moneys which may come into his hands by virtue of his office.

SEC. 25. Every disbursing officer is responsible to the Insular Government under his bond for payments made by him, whether such payments are made by direction of his superior officers or not, and the fact of such direction will not relieve him of responsibility. A disbursing officer, in determining the legality of expenditures, must act independently of the head of his Bureau or Office, and at his own peril, but the disbursing officer may protect himself as provided in section thirty-one.

SEC. 26. Every bonded officer of the Government, whether collecting or disbursing officer, is authorized to communicate directly with the Auditor on any matter relating to his accounts.

SEC. 27. Payments shall be made only by the disbursing officers, duly designated, except in cases of disbursing officers who are unavoidably absent or otherwise disabled, in which case payments may be made by officers or clerks specially designated for the purpose by the disbursing officer, for whose acts such disbursing officer shall be responsible, such disbursements to be made in the name of the disbursing officer.

SEC. 28. It shall be the duty of every disbursing officer in the city of Manila having any public moneys intrusted to him for disbursement to deposit the same with the Treasurer of the Islands or' in a depository duly designated, and to draw for the same as may be required for payments made by him in pursuance of law. No payment shall be made in cash by any disbursing officer in the city of Manila where the amount to be paid exceeds the sum of twenty-five pesos. Philippine currency, except for salaries and wages. All payments to creditors other than for salaries and wages, as stated, in the city of Manila, shall be by check upon the designated depository for the disbursing officer, the number and the amount of the check so drawn being entered on the voucher covering said payment. Payments of salaries and wages may be made in cash, lint the disbursing officer shall draw his check payable to himself for an amount, not exceeding the amount of any pay roll to be paid by him for any month, and he shall state on the check so drawn that it is for funds with which to pay salaries and wages. No disbursing officer shall keep in his personal possession at any time an amount in cash exceeding his immediate requirements for disbursement, but shall deposit all surplus funds drawn from the Insular Treasury, in his designated depository until such time as he may lie required or directed by the Auditor to deposit the same in the Insular Treasury as repayments to the appropriations originally drawn upon: Provided, That each disbursing officer, under such regulations as the Auditor may prescribe, is authorized to advance, on memorandum receipt, to the head of a Bureau or Office reasonable sums, to be approved by the Auditor, for the purpose of enabling such head of a Bureau or Office to make immediate payments of minor bills presented or obligations incurred. In such cases the payee's memorandum receipts or receipted bills covering these minor payments shall be presented to the disbursing officer at convenient intervals and be included, when practicable, in one reimbursement voucher. Each head of a Bureau or Office shall be responsible to the disbursing officer, under the provisions of section forty-three of this Act, for a proper accounting, either by cash or by evidence of proper disbursement, for all sums advanced as herein provided.

When a disbursing officer becomes separated from the service ' through removal, resignation, or death, and in the settlement of his accounts it becomes necessary to transfer funds from his disbursing account to the General Treasury, it shall be the duty of the Treasurer of the Philippine Islands, or a designated depository, upon the request of the Auditor for the Philippine Islands, to charge the disbursing officer's account in the sum to be deposited in the Treasury, and to deposit the same therein as requested by the Auditor; and the written request of the Auditor for such action shall be sufficient authority for the Treasurer or the designated depository to make such deductions and deposits.

SEC. 29. Except as hereinafter provided, accounts of disbursements shall be rendered monthly and transmitted to the Auditor within ten days after the expiration of the month to which they pertain, by the officers and agents authorized to make disbursements, in which said officers or agents shall charge themselves with all moneys advanced to them, respectively, by the Treasurer and from all other sources, and take credit for the disbursements made by them, supported by proper vouchers, consecutively numbered. An abstract of such vouchers shall be transmitted with an account when required by the Auditor.

SEC. 30. Any officer or agent whose duty it is to collect and receive moneys arising