

Department of Agrarian Reform, Regional Office No. VII, Cebu City



QUALITY MANAGEMENT SYSTEM

RELEASE OF CLAIMS AND PAYMENTS
THROUGH ISSUANCE OF LDDAP-ADA OR
CHECKS

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A. OFFICE/DIVISION/SECTION	STOD/Cashiering Section
B. OBJECTIVE	This procedure aims to pay the Agency's Due and demandable Accounts Payable through the expanded Modified Direct Payment Scheme (ExMDPS) or through issuance of Checks
C. SCOPE	This procedure covers payments thru LDDAP-ADA or issuance of Checks in all External and Internal creditors of DAR Regional Office VII

D. PROCEDURE DETAILS

No.	Source of Inputs	Inputs	Details of Activity	Person Responsible	Output	Receiver of Outputs
1.	Office of the ARDA/RD	Approved Disbursement Vouchers	Receives approved Disbursement Vouchers (DVs) with supporting documents	Cashiering Staff	Duly received approved Disbursement Vouchers	Cashiering Staff
			Control Point: Ensure that the Disbursement Vouchers (DVs) are approved with complete supporting documents as indicated in the checklist.			
2.	Cashiering Staff	Received Disbursement Vouchers	Encodes approved disbursement vouchers received into the Online Monitoring database	Cashiering Staff	Encoded approved disbursement vouchers into the Online Monitoring database	Cashiering Staff

PROPRIETARY NOTICE

THIS DOCUMENT CONTAINS INFORMATION PROPRIETARY TO THE **DEPARTMENT OF AGRARIAN REFORM REGIONAL OFFICE VII**. ANY DISCLOSURE OR USE IS EXPRESSLY PROHIBITED EXCEPT UPON WRITTEN PERMISSION BY RD/QMS CHAMPION.

3.	Cashiering Staff	Encoded approved disbursement vouchers into the Online Monitoring database	Identifies mode of disbursement: LDDAP-ADA or Check issuance	Cashiering Staff	Identified mode of disbursement : LDDAP-ADA or Check issuance	Cashier (Checks) Cashiering Staff (LDDAP-ADA)
4.	Cashier (Checks) Cashiering Staff (LDDAP-ADA)	Identified mode of disbursement: LDDAP-ADA or check issuance	Prepares List of Due and Demandable Accounts Payable-Advice to Debit Account (LDDAP-ADA) and Checks based on the approved Disbursement Vouchers	Cashier (Checks) Cashiering Staff (LDDAP-ADA)	Duly prepared LDDAP-ADA and Checks	Cashier
			Control Point: Ensure that all entries/data are correct and all supporting documents are attached.			
5.	Cashier	Prepared LDDAP-ADA and Checks	Reviews and signs LDDAP-ADA and Checks issued by the authorized signatory	Cashier	Duly reviewed and signed LDDAP-ADA and Checks issued	Cashier
6.	Cashier	Reviewed and signed LDDAP-ADA and Checks issued	Records LDDAP-ADA and Checks issued with disbursement vouchers to the Check & ADA Disbursement Record (Cash Book of Disbursements)	Cashier	Duly recorded LDDAP-ADA and Checks issued with disbursement vouchers to the Check & ADA Disbursement Record	Cashier
7.	Cashier	Recorded LDDAP-ADA and Checks issued with disbursement vouchers to the Check & ADA Disbursement Record	Encodes LDDAP-ADA and Checks issued with disbursement vouchers into the Online Monitoring database	Cashier	Encoded LDDAP-ADA and Checks issued with disbursement vouchers into the Online Monitoring database	Cashiering Staff
8.	Cashiering Staff	Encoded LDDAP-ADA and Checks	Records LDDAP-ADA and Checks issued with Disbursement Vouchers	Cashiering Staff	Recorded LDDAP-ADA and Checks	Cashiering Staff

		issued with disbursement vouchers into the Online Monitoring database	(DVs) into the Warrant Register Book		issued with Disbursement Vouchers (DVs) in the Warrant Register Book	
9	Cashiering Staff	Recorded LDDAP-ADA and Checks issued with Disbursement Vouchers (DVs) in the Warrant Register Book	For LDDAP-ADA, forward to Accounting Section for certification of correctness	Cashiering Staff	Duly forwarded LDDAP-ADA for certification of correctness	Accounting Section
10	Accounting Section	Forwarded LDDAP-ADA for certification of correctness	Forward to ARDA/RDs office for the approval and signing of LDDAP-ADA and Checks issued by the authorized signatories	Cashiering Staff	Duly forwarded LDDAP-ADA and Checks for approval and signing	Office of the ARDA/RD
11.	Office of the ARDA/RD	Forwarded LDDAP-ADA and Checks for approval and signing	Receives approved and signed LDDAP-ADA and Checks	Cashiering Staff	Duly received approved and signed LDDAP-ADA and Checks	Cashiering Staff
			Control Points: • Ensure that LDDAP-ADA and Checks received from the authorized signatory are properly signed • Ensure Online Monitoring database is complied.			
12.	Cashiering Staff	Received approved and signed LDDAP-ADA and Checks	For LDDAP-ADA, prepares Advice of List of Due and Demandable Accounts Payable-Advice to Debit Account Issued and Cancelled (LDDAP-ADA IC) For Checks issued, prepares Advice of Checks Issued and Canceled (ACIC)	Cashiering Staff	Duly prepared LDDAP-ADA IC and ACIC	Cashier

13.	Cashier	Prepared LDDAP-ADA IC and ACIC	Reviews and approves LDDAP-ADA IC (LDDAP-ADA) and ACIC (Checks) and transmit online to MDS-GSB (LBP);	Cashier	LDDAP-ADA IC and ACIC successfully transmitted	Land Bank of the Philippines
			Control Points: - Ensure that all entries/data are correct before transmitting online to LBP. - Ensure that LDDAP-ADA IC and ACIC is successfully transmitted.			
14.	Cashiering Staff	LDDAP-ADA IC and ACIC successfully transmitted	Inform Creditors, Suppliers, Service providers and all concerned personnel of the release of LDDAP-ADA and Check payments through mobile messages, call, and by posting in conspicuous places within the office	Cashiering Staff	Duly informed Creditors, Suppliers, Service providers and concerned personnel	Creditors, Suppliers, Service providers and all concerned personnel
15.	Creditors, Suppliers, Service providers and all concerned personnel	Informed Creditors, Suppliers, Service providers and all concerned personnel	Acknowledge payments of LDDAP-ADA and Checks, signs DV and issue official receipts	Creditors, Suppliers, Service providers and all concerned personnel	Duly acknowledged LDDAP-ADA and Checks received, signed DV and official receipt is issued	Cashiering Staff
			Control Point: Ensure that the claimant affix his/her signature in the Disbursement Vouchers and in Warrant Register Logbook and Issue its corresponding Official Receipt.			
16.	Cashiering Staff	Acknowledged LDDAP-ADA and Checks received, signed DV and official receipt is issued	Secures, segregates and file paid Disbursement Vouchers in a folder with complete supporting documents	Cashiering Staff	Secured, Segregated and filed paid DVs in a folder with complete supporting documents for report preparation Time frame: Claims or	Cashiering Staff

					payments received in the morning will be released in the afternoon while claims or payments received in the afternoon will be released in the morning of the next working day.	
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E. PROCESS FLOW (see attached annex)

F. DEFINITION OF TERMS

1. Disbursement - constitute all cash paid out during a given period in currency (cash) or by check/Advice to Debit Account (ADA). It may also mean the settlement of government payables/obligations by cash, check or ADA. It shall cover by Disbursement Voucher (DV)/Petty Cash Voucher (PCV)/Payroll

2. Disbursement System – involves the preparation and issuance of check or preparation of LDDAP-ADA, granting utilization and liquidation/replenishment of cash advances

3. Expanded Modified Direct Payment Scheme (ExMDPS) – the payment procedure whereby the MDS-GSB shall pay the creditors/payee listed in the LDDAP-ADA.

- a. Direct credit to the creditor's current/savings/ATM account maintained with the MDS-GSB; or
- b. Bank transfer, if creditors account is maintained other than the agency's MDS-GSB where corresponding bank charges shall be paid by the creditors/payee concerned

4. List of Due and Demandable Account Payable-Advice to Debit Account (LDDAP-ADA) – is an accountable form used as an authorization issued by the NGA/OU to the to the MDS-GSB instructing the bank to debit a specified amount from its available NCA to pay the creditors/payees listed in the upper portion of the LDDAP-ADA

5. Notice of Cash Allocation – is the authorization issued by the DBM to an agency to withdraw cash from the Bureau of Treasury to cover payment to operating expenses, purchases of supplies and materials, acquisition of PPE, payment of payables and other authorized disbursements thru the issuance of MDS checks, ADA or other modes of disbursements.

G. ACRONYMS

ACIC - Advice of Check Issued and Cancelled
DV - Disbursement Voucher
LBP - Land Bank of the Philippines

LDDAP-ADA - List of Due and Demandable Accounts Payable-Advice to Debit Account
LDDAP-ADA IC - List of Due and Demandable Accounts Payable-Advice to Debit Account Issued and Cancelled
MDS-GSB - Modified Disbursement System-Government Servicing Bank
NCA - Notice of Cash Allocation
ORS - Obligation Request of Status

H. ATTACHMENTS

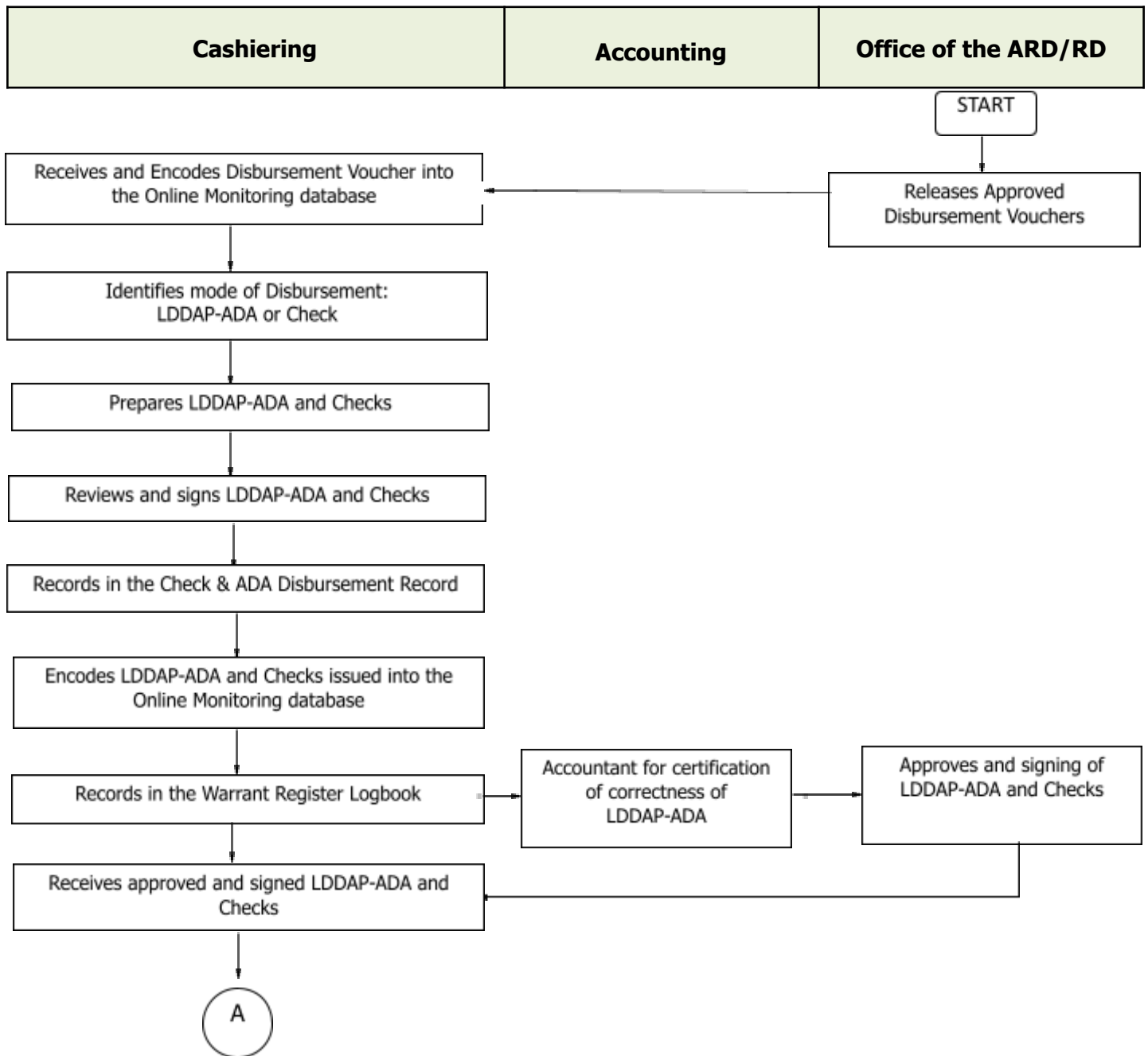
Check
 Check & ADA Disbursements Record
 Disbursement Vouchers
 LDDAP-ADA
 Notice of Cash Allocation
 Online Monitoring Database
 Warrant Register Book

I. REFERENCES

- 1. DOF-DBM-COA Joint Circular No. 2013-1 dated August 6, 2013** – Unified Accounts Code Structure (UACS)
- 2. DBM Circular Letter 2013-16 dated December 23, 2013** – Implementation of the Expanded Modified Direct Payment Scheme (ExMDPS) for Accounts Payable Due to Creditors/Payees of All National Government NGAs
- 3. DBM Circular Letter 2013-16A dated February 25, 2014** – Clarification of Circular Letter No. 2013-16 Re: Expanded Modified Direct Payment Scheme (ExMDPS) for Accounts Payable (A/Ps)
- 4. DBM Circular Letter 2013-16B dated February 25, 2014** – Addendum to DBM Circular Letter No. 2013-16 Re: Expanded Modified Direct Payment Scheme (ExMDPS) for Accounts Payable (A/Ps) of National Government Agencies/Operating Units (NGAs/OUTs)
- 5. COA Circular No. 2015-007 dated October 22, 2015** – Prescribing the Government Accounting Manual for All National Government Agencies

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E. PROCESS FLOW



Creditors/Suppliers/ Service Providers	Land Bank of the Philippines	Cashiering	All Sectors
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