

Disbursement Of Discretionary Funds

UPON the recommendation of the Secretary of the Interior, and the approval of the Secretary of Finance of the particular resolution by which such action shall be taken, provincial boards may appropriate money for purposes not specified by law, having in view the general welfare of the province and its inhabitants (Section 2106 (a), Revised Administrative Code). Control over such appropriations, when authorized, should generally be given to the provincial governor. Under such condition, it will consequently be set up in the functional classification *C-l-r*, but there will be no objection to placing appropriations of this nature under the control of other responsible officials, the same being discretionary on the part of the provincial board and of the approving Secretary. Whenever such appropriations are authorized, the purpose or object for which the same may be spent should be clearly and expressly stated in a specific manner in the resolution of the provincial board making the appropriations. Should the board overlook this requirement upon the passage of the corresponding resolution, the provincial treasurer and the provincial auditor will immediately call the attention of this body to the oversight and ask it to set forth in a subsequent resolution the specific purpose for which such appropriations are made available. No appropriations of this nature will be set up in the books of the provincial treasurer until the requisite departmental approval has been secured. This special appropriation will be available only for the purpose for which it has been created or obligated, which, to be lawful, must be of a public character, beneficial to the interests of the inhabitants of the province, and connected with the exercise of the powers and functions of the local government. Expenditures from discretionary or emergency funds are governed by the same general regulations as are prescribed for any other kind of government funds. In the disbursement of such funds, for example, the cost of wines, tobacco and

music is not allowable in audit, even if the resolution establishing the special appropriation expressly provides that such appropriation is for the entertainment of a visiting personage and it has been approved by the Secretary under such purpose. Vouchers covering disbursement from such special appropriation will be pre-audited by the provincial auditor personally before the same may be presented to the provincial treasurer for payment. The voucher together with all its supporting receipts will be submitted to the provincial auditor himself who will immediately audit the same personally. If the voucher is found correct, the following notation will be made thereon: *Receipts supporting this claim have been audited by me personally and found correct.* The receipts concerned, after being invalidated by the provincial auditor by means of proper notations and checks with his initials, may be detached from the voucher and retained by him. The voucher will then be in order for payment. The provincial treasurer will pay the voucher bearing the above notation without further requiring the submission of the corresponding receipts therefor; provided, however, that, if there is no objection on the part of the provincial governor, all disbursement vouchers covering expenses chargeable against the discretionary fund of the said provincial governor may first be submitted to the provincial treasurer personally together with the supporting receipts for his information or comment.—*SEC. 625, Revised Manual of Instructions to Treasurers, 1939 Edition, pp. 456-457.*

DISCRETIONARY EXPENSES

When appropriation and expenditure of a discretionary character has been duly authorized in accordance with law, as in the City of Manila, charges to the *r, Discretionary*, account will consist of those expenses for services of confidential nature rendered by such personnel as are temporarily employed by proper administrative of-

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Expenses Chargeable to the Discretionary Fund of the Provincial Governor

“With reference to Item No. 1 of the enclosed Resolution No. 176, current series, of the Provincial Board of Mountain Province, it is recommended that expenses from the discretionary fund of the Provincial Governor for the reception and entertainment of visiting officials be limited to those for the President and Vice-President of the United States, the United States Ambassador, the President and Vice-President of the Republic of the Philippines, and members of the Cabinet and of the Congress of the United States on official trips.

“Department Secretaries of the Republic of the Philippines on official inspection trips should only be allowed courtesy transportation expenses in their entertainment, inasmuch as under the Travel Expense Law they are entitled to reimbursement of expenses incurred by them in connection with the said trips.

“With respect to Items 2 and 3, this Office has no objection to the use of discretionary fund of the Provincial Governor for the purposes therein stated.

“Items 4 and 5 may be paid from the regular appropriation for ‘travel and transportation,’ ‘travel expenses of persons not government employees,’ or ‘other service’ in the General Fund.

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Officers to carry on successfully the various administrative activities of the Government; for compensation of spies and informers employed to detect the whereabouts of criminals or the presence or existence of prohibited games; and those authorized expenses of representation, such as for the entertainment of high official or foreign personages, tourists, etc. No appropriation or expenditure shall be made for this purpose unless previously sanctioned by the Department Head.—*SEC. 833, Revised Manual of Instructions to Treasurers, 1939 Edition, p. 642.*

“It is understood, in this connection, that the appropriations... is (are) subject to the approval of the Honorable, the Secretary of Finance and that expenditures therefrom shall be governed by the provisions of Section 625 of the Revised Manual of Instructions to Treasurers.”—2nd Ind., April 30, 1947, of Auditor General to the Secretary of the Interior. Items 2, 3, 4 and 5, mentioned in the foregoing indorsement read as follows:

- “2. Compensation of special and confidential agents of the provincial government employed by the Provincial Governor in connection with the maintenance of peace and order, particularly in the detection and/or apprehension of criminals and prevention or suppression of crimes and other forms of lawlessness within the province.
- “3. Meal rations and/or other necessary and incidental expenses during meetings or conferences of tribal chieftains or village headmen called for by the Provincial Governor in the interest and conduct of the provincial administration.
- “4. Expenditures of official delegations in representation of the province in any national celebrations or occasions upon instructions from superior offices.
- “5. Such other emergency and extraordinary expenses not covered by any prescribed classification in the budget, such as (a) subscriptions on periodicals, magazines, newspapers; (b) printed matters and/or special issues or supplements of any publication, periodicals, magazines, newspapers provided that same contain subject or subjects of public and special interest concerning the Mountain Province in particular or the nation at large.”