

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 MO...

Act No. 1402, October 10, 1905

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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 This Act shall be known as the "Accounting Act" and shall not be considered as amended or repealed in any part by subsequent legislation unless specifically so stated in the amending or repealing Act.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. 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, but 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 be 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 from the revenues of the Insular Government, or moneys accruing to the same, of whatever kind, and to make disbursements of such moneys for any purpose, who shall fail to render complete accounts of such receipts and disbursements to the Auditor, or to transmit the same within ten days after the expiration of the month to which they pertain, or shall neglect to render the same when requested to do so, shall be subject to such penalties as may be proscribed by law, and the Auditor may request the Secretary of Finance and Justice to direct prosecution here-under, and under Act Numbered Seven hundred and forty-nine, in any case which in his judgment may seem to require such action.

SEC. 31. A disbursing officer or the head of any Department, Bureau, or Office may apply for, and the Auditor shall render, his decision upon any question involving a payment about to be made by them or under them, which decision, when rendered, shall govern the Auditor when passing upon the account containing said disbursement.

SEC. 32. Except as herein provided, 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 Treasurer of the Islands, and to render to the Auditor monthly accounts therefor within ten days after the expiration of the month to which they pertain, in such form as may be required by him.

SEC. 33. In the rendition of accounts of Insular revenues, officers or agents shall charge themselves with all revenues received and collected during the period covered by the account, and take credit, for the amounts paid to the Insular Treasurer as shown by the duplicate receipts in their possession and countersigned by the Auditor, the number and date of such receipts being noted in the entries of amounts paid to the Treasurer. These duplicate receipts will be retained by the officer or agent claiming credit therefor.

SEC. 34. In the audit of such Insular revenue accounts the Auditor shall compare and check the Treasurer's receipts on file in his office with the corresponding entries in the account of the officer or agent, as rendered.

SEC. 35. All revenue accounts shall be rendered and kept separately under the appropriate funds and heads of accounts to which the collections respectively pertain.

SEC. 36. In all cases where an Insular or provincial officer or employee shall receive or have custody of money in the discharge of his official duties, he shall give bond to the Government of the Philippine Islands, for whom it may concern, to secure the proper accounting of the same and the payment thereof in accordance with law, unless he be a Regular Army or Navy officer of the United States detailed for the duty, in which case no bond shall be required. It shall be the duty of the Auditor to fix the amount of such bond, to approve the same, and to retain it in his custody.

SEC. 37. Requisitions for advances from funds in the hands of the Treasurer for paying necessary and proper expenses chargeable to the Insular Government shall be made from time to time by the respective officers or agents authorized to disburse the same, in such form as may be prescribed by the Auditor, and pursuant to appropriations made.

SEC. 38. Such requisitions shall contain an itemized estimate of the amounts required for disbursement under the several heads of appropriation, and no accountable warrant shall be drawn for an amount exceeding the requirements for one month: Provided, That the Auditor may, in his discretion, allow a requisition for a greater amount, when, in his opinion, the convenience of the service requires such action.

SEC. 39. Each requisition when signed by the head of a Bureau, or officer having control of the appropriation, shall be forwarded to tin' Auditor. When allowed by him, and so indorsed upon the requisition over his official signature, the proper warrant may be issued for the amount allowed.

SEC. 40. If at any time before a warrant shall have been issued any fact shall come to the Auditor which in his judgment affords sufficient grounds for disapproving an advance of money asked for, he is authorized to withhold the issuance of the warrant. In such case the head of the Bureau, or officer having control of the appropriation, may appeal in writing to the Governor-General, whose decision shall be final, if there is an appropriation from which said warrant may be paid. If there is no appropriation, the decision of the Auditor shall be final.

SEC. 41. Claims of officers or agents whose duty it is to collect or account for public moneys, for losses of funds in transit, by fire, burglary, or other unavoidable casualty, shall be submitted to the Auditor within one month after such loss occurs, with all the evidence in the case. If the Auditor shall find that the said funds were properly in the hands of such officer or agent, or properly remitted, and that the loss resulted through no fault of said officer or agent, he may, with the written consent of the Governor-General, credit the account of such officer or agent with the amount of the loss: Provided, That in no case shall a credit in excess of two thousand pesos be given in this manner. Claims for losses in excess of two thousand pesos shall be submitted through the Auditor and Governor-General to the Commission for relief through legislative enactment.

The officer shall be liable for all losses, resulting from any cause, except an act of God or the public enemy, unless relieved therefrom as herein provided.

SEC. 42. The Auditor may, with the written consent of the Governor-General, mitigate, remit, remove, compromise, release, or discharge any liability, in whole or in part, to the Philippine Government, or a provincial government, in any matter before him, when, in his judgment, the interests of the Government seem to require it, except in cases provided for in the next preceding-section and subject to such further restrictions as may lie provided by law.

SEC. 43. The Auditor shall supervise the collection of all debts found to be due the Government in connection with his settlement and adjustment of accounts, through the usual civil and judicial channels, and request the Secretary of Finance and Justice to direct the institution of any legal proceedings necessary to enforce the payment of such debts and the restitution of all amounts found to be due said Government in settlements made by him, and he may direct the proper disbursing officer to withhold From any officer, agent, or employee of the Government, who is indebted to the Government, any amount which may be due or which may become due to such officer, agent, or employee who fails in pay such indebtedness on demand. Indebtedness to the Government shall be construed to mean indebtedness to the Insular Government, to a provincial government, or to the city of Manila.

SEC. 44. Upon the separation from the service of any officer, money due him by the Government for salary, leave, or any other reason shall first be applied to settle any indebtedness of such officer to the Insular or to any provincial or municipal government.

SEC. 45. Whenever any person accountable for public money neglects or refuses to pay into the Treasury, when required to do so. the sum or balance certified to be due upon the adjustment of his account, the Auditor shall

request the Secretary of Finance and Justice to direct the institution of suit against the officer and his sureties for the recovery of the same, with interest at six per centum per annum from the date of the Auditor's written demand until it shall be paid into the Treasury.

SEC. 46. The Governor-General may designate banking institutions in the Philippine Islands as depositories of the Government thereof upon their filing with him satisfactory evidence of their financial responsibility and such security as he shall require and approve.

Such institutions may deposit their securities with the Bureau of Insular Affairs of the War department. Washington. District of Columbia, in the event of which, if found satisfactory by the Secretary of War. he may approve the same, and designate such institutions as depositories of the Government of the Philippine Islands and advise the Governor-General that such banking institutions have made deposits of bonds or other securities as security for the deposit of funds of the Government of the Philippine Islands, stating the amount of such bonds or securities so deposited; and that he has approved the same.

The Secretary of War may designate banking institutions in the United States as depositories of the Government of the Philippine Islands, after they have filed in the Bureau of Insular Affairs of the War Department, Washington. District of Columbia, sufficient evidence of their sound financial condition and deposited bonds of the United States or of the Government of the Philippine Islands or other security satisfactory to the Secretary of War in such amounts as may be designated by him; and no banking institution shall In designated a depositories of the Government of the Philippine Islands until the foregoing conditions have been complied with.

SEC. 47. Disbursing officers shall deposit funds placed in their hands for disbursement pursuant to appropriations only in such. depositories in the Philippine Islands as may be designated according to the next preceding section. When payment is made by check, its number shall be noted on the voucher to which it pertains. Such depositories shall report to the Auditor at the close of each quarter or often or if he shall require it, the balances to the credit of all disbursing officers as shown by their records. In every case where two years have elapsed since the rendition and settlement of the final account of a disbursing officer and there remains a balance in any depository to the credit of such disbursing officer, by reason of the non-presentation of checks or otherwise, the Auditor shall require the said depository to deposit the said balance with the Treasurer of the .Islands, to be carried by the Auditor to a permanent appropriation for "outstanding liabilities." No disbursing officer's check shall be paid after two years from the date of its issue.

SEC. 48. Whenever any original check is lost, stolen, or destroyed, disbursing officers or agents of the Government are authorized a Her the expiration of three months, and within two years from the date of such check, to issue a duplicate check, and the Treasurer or designated depositories of the Government are directed to pay such duplicate checks, under such regulations in regard to their issue and payment, and upon the execution of such bonds, with surety to indemnify the Government, as the Auditor and Treasurer shall jointly prescribe: Provided, That upon satisfactory evidence that the check has been destroyed or never reached the payee, the above-mentioned period of three months may be waived.

SEC. 49. In case the disbursing officer or agent by whom such lost, destroyed, or stolen original check was issued is dead, or no longer in the service of the Philippine Islands, it shall be the duty of the Auditor to direct the Treasurer, or proper depository, to transfer from the balance to the credit of such disbursing officer or agent to the account of "outstanding liabilities" the amount of such lost, destroyed, or stolen check and to state an account in favor of the owner of the original check for the amount thereof.

SEC. 50. The Treasurer and designated depositories .shall, at the dose of business on every thirtieth day of June, report to the Auditor the condition of every official account standing on their books, stating the name of each

depositor, with his official designation, the total amount remaining on deposit to his credit, and the dates, respectively, of the last credit and the last debit made to each account: and each disbursing officer or agent shall make a like return of all checks issued by him, and which may have been outstanding and unpaid for two years or more, stating fully in such report the name of the payee, for what purpose each check was given, the depository on which drawn, the number of the voucher received therefor, the date, number, and amount for which it was drawn, and, when known, the residence of the payee.

SEC. 51. Whenever a disbursing officer or agent shall cease to act in that capacity, he shall submit to the Auditor a statement of the public funds to his credit in any depository, and he shall submit a list of checks with names of the payees and amounts which he has drawn against the same which are still outstanding and unpaid.

SEC. 52. Any balance in any depository to the account of any disbursing officer which shall not have been increased by any new deposit thereto, or decreased by any check drawn thereon for the space of one year, shall be covered into the Treasury to the credit of "outstanding liabilities." The amount of such balance so transferred may be credited by the Auditor to the officer in whose name it had stood on the books of the depository, if it appears that he is entitled to such credit.

SEC. 53. All claims arising on account of outstanding liabilities, as aforesaid, shall lie filed with the Auditor, with the evidence pertaining thereto. If the Auditor shall find that such claim is valid, and unpaid, he shall certify the amount due and issue a settlement, warrant on said certificate, which warrant shall be paid by the Treasurer out of the fund accruing on account of outstanding liabilities.

SEC. 54. Transfers of funds from one disbursing officer to another shall be made only upon the authority of the Auditor given in advance. When there is a change in disbursing officers, the outgoing officer 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. When an officer gives a new bond, he shall render an account in full, and satisfactorily account for all funds due under his previous bond.

SEC. 55. Postmasters shall be deemed disbursing officers and shall be authorized to pay, under proper advance allowances or authority of the Director of Posts, subject to such regulations as the Auditor may require, the expenses of their respective offices, including salary of postmaster, necessary disbursements for clerk hire, rent, light, and other incidental items, including authorized mail transportation and other necessary service, from the receipts of their respective offices. The postmaster shall render correct vouchers for every such expenditure, such vouchers to indicate on the face thereof the date such allowances were made by the Director of Posts, which vouchers shall be submitted to the Auditor with the account-current in which credit therefor is taken. No disbursement shall be allowed by the Auditor in the account of any postmaster which is not in accordance with an appropriation.

SEC. 56. Postmasters at minor post-offices shall be required to deposit all surplus postal funds in their hands at the close of each month with a depository to be designated by the Director of Posts, which shall be a larger post-office, convenience of location being considered. In case the receipts of any post-office are insufficient to meet its authorized expenditures, such deficiency may be met by a transfer draft of the Auditor upon a post-office receiving such deposits of surplus postal funds. Depository post-offices shall deposit their surplus receipts with the Treasurer of the Islands as revenues arising in the Bureau of Posts.

SEC. 57. Deficiencies, if any, in the revenues of the postal service, as provided by appropriation, shall be disbursed upon requisition of a properly bonded officer authorized to receive and disburse funds, which requisition shall be approved and allowed by the Auditor and warrant issued therefor.

SEC. 58. Postal accounts of postmasters shall lie rendered quarterly and shall be transmitted to the Auditor within ten days after the expiration of the quarter to which they pertain.

SEC. 59. The receipts of revenues by postmasters and disbursements therefrom shall be covered simultaneously into, and withdrawn under proper appropriations from, the Treasury of the Islands, by receipt and warrant, signed by the Treasurer and their Auditor, respectively, notice thereof being given forthwith to the Director of Posts.

SEC. 60. 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 make such other reports as may be required of him by the Governor-General, the Secretary of Finance and Justice, the Philippine Commission, or the Secretary of War.

SEC. 61. The Auditor shall, at the time of settlement, send an official notification in writing to each person whose accounts have been settled in whole or in part, stating the cash balances found due thereon and certified and the charges or differences arising on such settlement by reason of disallowances, charges, or suspensions made by the Auditor, or from other causes, which statement of charges or differences shall be properly itemized. The reasons for a disallowance, charge, or suspension of credit shall in all cases be stated. A charge or suspension which shall not be satisfactorily explained within ninety days after the deposit in the mails of notice to the officer concerned of such charge or suspension shall become a disallowance, unless the Auditor shall, in writing, extend the time for answer beyond ninety days.

SEC. 62. The Auditor, on account of fraud, collusion, error in calculation, or newly discovered material evidence, or when in his judgment the interests of the Government may seem to require it, is authorized, within three years after original settlement, to reopen any account previously settled by him, or by a district auditor, and, after written notice to the person involved and after a reasonable time for the reply or appearance of said person, to certify thereon a new balance.

SEC. 63. 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 regulations as the Auditor may prescribe.

SEC. 64. Every contract under which a payment may be made shall be submitted to the Auditor with the account to which such payment pertains. In the case of deeds to property purchased by the Government, the Auditor shall require an official certificate by the Court of Land Registration or other evidence satisfactory to the Governor-General that the title is in the Government.

SEC. 65. The Auditor shall keep the accounts of the money-order business separately and in such manner as to show the number and amount of money orders issued at each post-office, the number and amount, paid, and the fees received. The Auditor shall certify quarterly the receipts as fees from the sale of money orders, and upon such certification the fees so collected shall be transferred to postal funds and taken up as postal receipts. Losses of money-order funds in transit, by fire, burglary, or other unavoidable casualty, if credit be allowed therefor, shall be deducted from the fees collected before the quarterly transfer of such fees as postal receipts.

SEC. 66. Money-order accounts shall be rendered as often as required by the Auditor. Transfers of money from postal receipts to money-order funds or vice versa may be made by the postmaster, under such regulations as the Auditor may prescribe, when his receipts from the sale of money orders are insufficient to pay the orders drawn upon his office, or when the postal revenues are insufficient to meet immediately the authorized

expenditures of his office.

SEC. 67. The jurisdiction of the Auditor of the Islands over accounts, and all vouchers pertaining (herein, shall be exclusive. His decisions shall be final and conclusive upon the executive branches of the Government, except that appeals 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. 68. When suit is brought in any case of delinquency of a revenue officer, or other person accountable for public money, a transcript from the books and proceedings of the Auditor, certified by him under his seal, shall be admitted as evidence. and the court trying the cause shall be authorized to grant judgment and award execution according. All copies of bonds, contracts, or other papers relating to, or connected with, the settlement of any account between the Philippine Government and an individual, when certified by the Auditor under his seal to be true copies of the originals on file in his office, may be annexed to such transcripts, and shall have equal validity and be entitled to the same degree of credit which would be due to the original papers if produced and authenticated in court: Provided, That where suit is brought upon a bond or other instrument, and the answer of the defendant denies the execution of the same, and the defendant makes his motion to the court for the production of the same, verifying such answer and motion by his oath, the court may take the same into consideration, and, if it appears to be necessary for the attainment of justice, may require the production of the original bond, contract, or other paper specified in such affidavit.

SEC. 69. Upon the trial of any complaint or information against any person for misappropriation of public moneys, it shall be sufficient evidence, for the purpose of showing a balance against such person, to produce a transcript from the books and proceedings of the Auditor, as provided by the preceding section, and a showing of any balance against such person shall be prima facie evidence of the misappropriation of the funds unaccounted for.

SEC. 70. The Auditor shall forward to the Secretary of War, not later than ten days after the expiration of each month, a full and complete report of all moneys received by the Treasurer of the Islands during the preceding month, as shown by the entries made from the Treasurer's receipts retained in the Auditor's Office, a statement of all advances of moneys made on warrants during the preceding month, and such statement of disbursements and expenditures audited during the preceding month as may be required by the Secretary of War.

SEC. 71. The official title 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. 72. The Auditor shall have and keep an official seal, upon which shall be engraved the following design: "Office, Auditor for the Philippine Islands, official seal." The Auditor shall affix his official seal to each warrant issued by him and to all copies or transcripts of papers in his office which he may be required to certify.

SEC. 73. The Treasurer of the Islands shall receive and safely keep all moneys arising from the revenues of the Islands, and receipts from whatever source derived, and shall keep a properly detailed account thereof in permanent books of record, in which such revenues and all receipts shall be entered, with the name of the agents, officers, and persons from whom received and the dates of receipt.

SEC. 74. All moneys received by the Treasurer shall be credited to the account of the particular fund to which it pertains, whether general revenue, revenues of the city of Manila, trust funds, or otherwise, but the particular class of receipt, as referred to in section nineteen, shall be stated on the face of each receipt, in order that deposits may be identified by the Auditor.

SEC. 75. The accounts of the Treasurer shall be kept in Philippine currency: Provided, That so long as Mexican, Spanish-Filipino, or other foreign currencies are received at the Treasury they shall be accounted for separately.

SEC. 76. The Treasurer shall issue receipts in duplicate for all moneys received by him, which shall be numbered consecutively, and shall bear the date upon which the deposit was actually made and show from whom and on what account received.

SEC. 77. All receipts, original and duplicate, issued by the Treasurer, except for moneys received in his capacity as depositary, as mentioned in section eighty-four, shall be registered and countersigned by the Auditor for the Islands, without which they shall be invalid, and for this purpose the Treasurer shall, immediately upon issuing receipts in duplicate, transmit both receipts to the Auditor.

SEC. 78. All moneys derived as revenues of the Islands and accruing to the Insular Government shall be paid to the Treasurer in full, without any deduction, except as otherwise provided in this Act.

SEC. 79. Where a revenue derived under the laws of the Philippine Islands accrues in part to the Insular Government and in part to the provincial governments or municipalities, the Auditor may direct, under regulations to be prescribed by him, the proper separation of such funds by the officer whose duty it is to collect the same, and require the portion which accrues to the Insular Government to be deposited in the Insular Treasury and that portion which accrues to the provincial governments and the municipalities of the provinces to be deposited in the proper provincial treasury, except as provided in section eighty, and all provisions of law in conflict with this section are hereby repealed.

SEC. 80. In the case of collections arising under the Internal Revenue Law, the per centum of such collections, exclusive of the proceeds of cedula and municipal licenses, which by law accrues to the Insular Government, shall be deposited in the Insular Treasury as internal revenue, and the per centum which accrues to the provinces or to the city of Manila shall be deposited as "refundable internal revenue," subject to refund to the provinces and municipalities as provided by law.

SEC. 81. All revenues accruing to the Moro Province shall be deposited directly in the treasury of the province and not in the Insular Treasury, and all disbursements which are required to be made from funds of the Moro Province shall be made directly from such funds, under appropriations of the legislative council, and section three of Act Numbered Eight hundred and thirty-three is hereby repealed. This section is not to be construed as removing the collectors of customs in the Moro Province from the administrative jurisdiction of the Collector of Customs of the Islands.

SEC. 82. Needful advances from the moneys in the hands of the Treasurer shall be made to the proper officer authorized to disburse the same upon warrants issued in accordance with the provisions of ; this Act. No payment shall be made by the Treasurer from funds subject to appropriation, except upon a warrant issued and signed by the Auditor, and all warrants drawn upon the Treasurer shall be debited upon the books of his office to the moneys in his hands under the particular fund from which payment is to be made.

SEC. 83. The Treasurer shall render monthly accounts of the receipts and disbursements of his office and submit the same to the Auditor for examination and settlement not later than ten days after the expiration of each month. In rendering such accounts the Treasurer shall charge himself with all moneys received during the period covered

by the account, and shall credit himself with all moneys paid upon warrants, which warrants shall be filed with his accounts submitted to the Auditor.

SEC. 84. All funds received by the Treasurer as depositary of funds of disbursing officers, as trust funds, and otherwise than as funds subject to appropriation, shall be accounted for like funds of disbursing officers, in such form and manner as the Auditor may prescribe.

SEC. 85. The Treasurer shall forward to the Secretary of War, "not later than ten days after the expiration of each month, such report, duly certified, as may be required by the latter, of moneys received, together with a statement of disbursements made.

SEC. 86. The official title of the Treasurer, to lie affixed to his official signature, shall be Treasurer of the Philippine Islands."

SEC. 87. The Treasurer shall give bond, lo the approved by the Philippine Commission, for the faithful performance of the duties of his office, in such amount as shall from time to time be fixed by the Philippine Commission.

SEC. 88. The Assistant Treasurer shall likewise give a bond, to be approved by the Philippine Commission, for the faithful performance of the duties of his office, in such amount as shall be fixed by the Philippine Commission.

SEC. 89. The Governor-General, through his authorized agent or agents, shall make, as often as by him deemed advisable, an examination of the books and accounts of the Auditor and Treasurer, and a comparison of the results shown by the same, and also an examination and count of moneys in the hands of the Treasurer, and submit his report thereon to the Secretary of War.

SEC. 90. Wherever the term "'appropriation'" is used in this Act, the appropriations made by the Philippine Commission, or other legislative body in the Philippine Islands authorized by the Congress of the United States of America, are referred to.

SEC. 91. All accounts of the Treasurer of the islands, and of e the various officers and agents authorized lo 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 a 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. 92. Any person aggrieved by the action or decision of the to Auditor in the settlement of-his account or claim may within one year take an appeal in writing to the Governor-General, which appeal shall specifically set forth the particular action of the Auditor to which exception is taken, with the reason and authorities relied on for reversing such decision. If the Governor-General shall confirm the action of the Auditor, he shall so indorse the appeal and transmit, it to the Auditor, and the action shall thereupon be final and conclusive. Should the Governor-General fail to sustain the action of the Auditor, he shall forthwith transmit his grounds of disapproval to the Secretary of War, together with the appeal and the papers necessary to a proper understanding of the matter. The decision of the Secretary of War in such case shall be final and conclusive.

SEC. 93. All laws or part of laws providing for traveling examiners, inspectors, special agents, or for other persons engaged in the examination of accounts, under whatever designation, in any Department, Bureau, or Office, except that of the Auditor, are hereby repealed. The Auditor shall have jurisdiction over all examinations

of accounts in the offices of the various officers or agents collecting or disbursing funds of the Insular Government and of the provincial governments as provided in this Act, and shall have control over all officers or employees that may be provided for by law. In make such office or field examinations of accounts, and all provisions of law in conflict with this section are hereby repealed: Provided, That the Auditor is authorized to employ his examiners or agents in making such administrative investigations for the benefit of other Bureaus and Offices as such Bureaus and Offices may reasonably request.

SEC. 94. The foregoing sections, except as otherwise specified, shall be construed as applying to accounts of the Insular Government, and the city of Manila, but sections forty-one, forty-two, forty-three, forty-four, forty-five, forty-six, forty-seven, forty-eight, forty-nine, fifty-one, fifty-two, and fifty-three, respectively, shall be held to apply also to provincial officers and accounts. Sections sixty-one, sixty-two, sixty-three, sixty-four, sixty-eight, and sixty-nine shall be held to apply to provincial officers and accounts, substituting for the word "Auditor" the words "district auditor" whenever the same appears.

SEC. 95. There shall be in the office of the Insular Auditor a chief district auditor, whose duties shall be to supervise, under the direction of the Insular Auditor, the work of the district auditors referred to in the next succeeding section so far as the jurisdiction of the Insular Auditor shall extend, and perform such other duties as the latter may assign to him. He shall receive such salary as may be fixed by "the appropriating Acts, and shall be subject to all officer provisions of existing law relative to appointments.

SEC. 96. There shall be maintained, under the jurisdiction of the Insular Auditor, a corps consisting of such number of district auditors as may be provided for by law. and at such salaries as may be fixed in the appropriating Acts. Each district auditor shall receive, examine, and settle the accounts of the provincial treasurers or other officers collecting and disbursing provincial funds within the district assigned to him, and shall likewise examine and settle all accounts of provincial property within his district. He shall be the examiner or agent of the Insular Auditor within his district, as provided in section ninety-three, and shall make such examinations of the Insular money or property accounts, and render reports thereon, as the Insular Auditor may direct. The chief district auditor and the various district auditors shall be appointed by the Insular Auditor, subject to the approval of the Secretary of Finance and Justice, and the Insular Auditor, for cause, may with like approval remove or suspend without pay any district auditor.

SEC. 97. Each district auditor shall have original and exclusive jurisdiction over the settlement of the provincial accounts within his district, except as otherwise provided in this Act.

SEC. 98. With the exception of the city of Manila, the Philippine Islands shall be divided into as many districts, consisting of one or more provinces, as may be fixed by the Insular Auditor. A district auditor shall be assigned to each district by the Insular Auditor: Provided, That the Insular Auditor may, if necessities require it, change the composition of the districts from time to time or assign one district auditor to two or more districts, and he may withdraw any of the district auditors as the exigencies of the service may demand, or transfer them to other assignments.

SEC. 99. It shall be the duty of the provincial board of each province to furnish the district auditor with suitable office space in the provincial building and with the necessary office supplies, furniture, and janitor service, the adequacy of all which the Insular Auditor shall determine. In the event of a failure of a province to supply such office space and service, the district auditor may, with the prior approval of the Insular Auditor, himself provide such necessities, and the cost thereof shall be a proper charge against the funds of the province concerned.

SEC. 100. The headquarters of each district auditor shall be at a place in his district to be established by the Insular Auditor, and while absent from such headquarters on official business he shall be entitled to such per

diem, and the actual and necessary cost of transportation, as may be provided by law.

SEC. 101. Each district auditor shall certify the balances arising in the accounts settled by him to the Insular Auditor and to the proper provincial treasurer, in such form as the Insular Auditor may prescribe.

SEC. 102. A district auditor shall be ineligible for appointment as a provincial treasurer of any province within his district, except temporarily under the provisions of section sixteen and twenty-one of Act Numbered Eighty-three, as amended, until one year shall have elapsed after he shall cease to be the auditor for the district in which the province is located.

SEC. 103. In the execution of their duties 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. 104. The provincial treasurer, or other officer disbursing or collecting provincial funds, or a district auditor may apply for, and the Insular Auditor shall render, his decision upon any matter affecting the settlement of a provincial account, and such decision shall govern the district auditor in passing upon the account involved.

SEC. 105. Every decision by a district auditor making an original construction or modifying an original construction of a statute, ; shall be forthwith reported to the Insular Auditor, and items in any account affected by such decision shall be suspended and credit for payment thereof withheld until the Insular Auditor shall approve, disapprove, or modify such decision and certify his action to the district auditor.

SEC. 106. Any person aggrieved by the action or a decision of a district auditor in the settlement of an account may within one year appeal in writing to the Insular Auditor, whose decision shall be final, except that a further appeal may be taken by the person aggrieved to the Governor-General, whose decision shall be final and conclusive upon all concerned. In all cases of appeal all papers in the case shall be transmitted to the Insular Auditor for action or reference to the Governor-General, as the case may be.

SEC. 107. The Insular Auditor may revise, on his own motion, any settlement made by a district auditor and certify a new balance thereon, which balance shall be final and conclusive upon all parties, except that a party aggrieved may appeal as provided in section ninety-two of this Act. The Insular Auditor may require any , provincial account or accounts, and accompanying vouchers, to be forwarded to him for the purpose of such revision.

SEC. 108. The customs collection accounts of the Moro Province shall lie examined and settled by the Insular Auditor, who shall certify his settlement to the district auditor assigned to the Moro Province.

SEC. 109. When any officer of the Insular Government dies or absconds it: shall be the duty of the district auditor within the district to take charge of the cash and property of such officer at once, make; an inventory thereof in the presence of one or more disinterested witnesses, and to notify the Insular Auditor forthwith, and forward as soon thereafter as possible a duly signed and witnessed copy of I he inventory taken. The district auditor shall retain possession of such money and property until a duly designated successor or acting officer arrives, whereupon he shall turn over to the poison duly designated such money and property, and take proper receipts therefor. The district auditor shall render on behalf of the deceased or absconding officer his final accounts and take credit therein for the money qt property receipted for by the successor.

SEC. 110. Acts Numbered Ninety and One hundred and forty-five of the Philippine Commission and all amendments thereto are hereby repealed; and all other Acts of the Philippine Commission or parts thereof which

are in conflict with this Act are likewise hereby repealed : Provided, That nothing herein contained shall be construct! to affect existing appointments made under Act Numbered Ninety nor to require the rebonding of officials or employees except where the Philippine Commission or the Auditor shall so require.

SEC. 111. The public good requiring the speedy enactment of this bill, the passage of the same is hereby expedited in accordance with section two of "An Act prescribing the order of procedure by the Commission in the enactment of laws," passed September twenty-sixth, nineteen hundred.

SEC. 112. This Act, so far as it relates to methods of settling Insular accounts in the office of the Insular Auditor, shall take effect beginning with the accounts rendered for the month of July, nineteen hundred and five. In all other respects it shall take effect ten days after its passage: Provided, That all provisions relating to the examination and settlement of provincial accounts shall become effective only as rapidly as its operations can be extended over the various provinces and municipalities affected by it, and not before the accounts in any province have been brought to a current date by field examiners. Its complete establishment within the territory specified in section ninety-eight shall be accomplished not later than June thirtieth, nineteen hundred and six.

Enacted, October 10, 1905.

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