|  |  |
| --- | --- |
| **TITLE** | **BILLING AND COLLECTION** |
| **OBJECTIVE** | To ensure on-time and accurate processing of billings and full collection of payments. |
| **SCOPE** | This procedure covers activities from the preparation billing documents to Collection of Payment. |

| **Responsibility** | **Activities** |  | **Interfaces** |
| --- | --- | --- | --- |
| Project Engineer/  Implementing Agency | Prepare Documents for Billing | Note 1 | Statement of Work Accomplishment  Technical Report |
| Project Manager | Approve and Sign Billing |  |  |
|  | Make necessary revisions  N  Approved?  Y |  |  |
| Liaison Officer | Submit Billing to  Implementing Agency | Note 2 | Statement of Work Accomplishment |
| Liaison Officer | Collect Payment | Note 3 | Contract Disbursement Voucher  Summary of Collections (LDDAP)  Bank Deposit Slip |
| Cashier | Post Payment to Accounting System | Note 4 |  |

**NOTE 1:**

1. Prepare the following billing documents for checking and review of the Contractor’s Project Manager:
   1. Letter Request of Contractor
   2. Statement of Work Accomplishment
   3. Monthly Certificate of Payment
   4. Certificate of Quality Tests (prepared by the Implementing Agency)
   5. Progress Photographs (before, during and after)
   6. Approved Variation Order (if there’s any)
   7. Inspection Report
   8. Supporting Documents (e.g. Affidavit of Contractor)

\**NOTE: Billing documents to be prepared is based on the client’s checklist (e.g. DPWH Internal Control Unit checklist).*

1. Compute for the progress billing based from the approved Accomplishment Report submitted by the Project Engineer.
2. Check for Change Order or change in contract for necessary adjustments in billing.

**NOTE 2:**

1. Submit the billing documents to the Liaison Officer before the 15th day of the month for review and approval of the implementing agency’s representatives.

**NOTE 3:**

1. Upon receipt of the collection voucher, provide a copy of the voucher to Cashier.
2. For collections of bank-to-bank arrangements, inform Cashier to update the applicable bank account, upon advice by the agency, to verify if the collection has been credited to the said account.
3. For check collections, deposit check to applicable bank account
4. Original Deposit Slip or Bank Update shall be retained by the Cashier as attachment to their own copy of the collection voucher.
5. Issue Official Receipt to Implementing Agency upon collection of billing

**NOTE 4:**

1. File the following documents:
   1. Collection Voucher
   2. Deposit Slip or Bank Update
   3. Official Receipt
2. Post payment collected to Accounting System. Accounts Receivable Record is automatically updated upon posting.

**RECORDS GENERATED:**

1. Statement of Account or Billing
2. Official Receipt

**REFERENCES:**

1. Summary of Work Accomplishment
2. Accomplishment Report

|  |  |
| --- | --- |
| Prepared by:  Ferdinand C. Ongo  *Finance Officer* | Reviewed and Approved by:  Daisy G. Buerom  *QMR* |
| Date: January 21, 2015 | Date: January 21, 2015 |