

DRN: FMS-CDRP-A-COMM-23-06-98619-S**MEMORANDUM**

FOR : **ALL HEADS OF OFFICES, BUREAUS, SERVICES AND UNITS**
DSWD Central Office and Field Offices

FROM : **THE UNDERSECRETARY FOR GASSG**

SUBJECT : **FINANCIAL MANAGEMENT GUIDELINES NO. 39 SERIES OF 2023
ADDITIONAL GUIDANCE ON COLLECTIONS OF LGUs SHARE IN
THE CARE AND MAINTENANCE OF THE CHILD IN CONFLICT
WITH THE LAW**

DATE : **15 JUNE 2023**

RATIONALE

The Department collects or receives counterpart share from the Local Government Units (LGU) in the care and maintenance of the child in conflict with the law (CICL), representing one-third (1/3) or two-thirds (2/3) of the cost of care for child held in the DSWD Centers and Residential Care Facilities (CRCF), in case the parents cannot pay all or part of the related expenses.

These collections are trust receipts to be deposited to the Bureau of Treasury (BTr) and subject for issuance of Notice of Cash Allocation (NCA) from the Department of Budget and Management (DBM) in accordance with EO No. 338-1996

With the reforms in the public financial management, i.e., government accounting system, the adoption of unified account code structure (UACS) to facilitate reporting of all financial transactions of agencies including revenue reporting, the conversion and/or reclassification of these collections resulted to varying accounting treatment among Field Offices and the consequential receipt of Audit Observation Memorandum (AOM).

Thus, in addition to the previously issued guidelines on this matter, we are providing supplemental guidance to complement the procedures from collections up to the receipt of disbursement authority.

LEGAL BASIS

- a. Sec. 50 of Republic Act No. 9344 dated April 28, 2006 An Act Establishing a Comprehensive Juvenile Justice and Welfare System, Creating the Juvenile Justice and Welfare Council under the Department of Justice, Appropriating Funds Therefor and for Other Purposes, and as amended by Republic Act No. 10630 dated October 3, 2013, An Act Strengthening the Juvenile Justice System in the Philippines:

***SEC. 50. Care and Maintenance of the Child in Conflict with the Law.** - The expenses for the care and maintenance of a child in conflict with the law under institutional care shall be borne by his/her parents or those persons liable to support him/her: Provided, That in case his/her parents or those persons liable to support him/her cannot pay all or part of said expenses, the municipality where the offense was committed shall pay one-third (1/3) of said expenses or part thereof; the province to which the municipality belongs shall pay one-third (1/3) and the remaining one-third (1/3) shall be borne by the national government. Chartered cities shall pay two-thirds (2/3) of said expenses; and in case a chartered city cannot pay said expenses, part of the internal revenue allotments applicable to the unpaid portion shall be withheld and applied to the settlement of said obligations: Provided, further, That in the event that the child in conflict with the law is not a*

resident of the municipality/city where the offense was committed, the court, upon its determination, may require the city/municipality where the child in conflict with the law resides to shoulder the cost.

The LGUs expected expenditures on the local juvenile intervention program for children at risk and children in conflict with the law shall be included in the LGUs annual budget. Highly-urbanized cities and provincial governments should include a separate budget for the construction and maintenance of the 'Bahay Pag-asa' including the operation of the Intensive Juvenile Intervention and Support Center (IJISC) within the 'Bahay Pag-asa'.

- b. Financial Management Guidelines No. 9 dated January 30, 2020 LGUs Share in the Care and Maintenance of the Child in Conflict with the Law;
- c. Financial Management Guidelines No. 25 dated May 20, 2022 Processing of Requests for Obligational and Disbursement Authorities to the DBM;
- d. BTr Treasury Circular No. 2-2022 dated May 31, 2022 Guidelines in National Deposited Collections and Issuance of Certification of Deposited National Collections in Line with the Enhanced National Government Collection and Disbursement System (NGCDS) of the BTr; and
- e. Sec. 6 of the General Provisions of the General Appropriations Act of 2023 -Trust Receipts.

ADDITIONAL GUIDELINES

A. Collection and Deposit

1. The 1/3 or 2/3 shares from LGUs whichever is applicable shall be issued Official Receipt (OR) by the Collecting Officer based on an approved Order of Payment (OP) from the Accounting Division/Unit
2. These collections shall be deposited to the **BTr Account No. 3402-2844-46 BTR-Other than IATF** under Fund Cluster 7 using OnColl Payment Slip with Funding Source Code 07308602 and NCO Code of the Collecting Officer and UACS code of the agency to be credited
3. For electronic banking collection or e-payment via the Landbank Link.BizPortal (if applicable), verify and ensure that proper clearing account is used for destination account **BTr Account No. 3402-2844-46 BTR-Other than IATF**
4. Per FMG No. 9 series of 2020, collections shall be recorded as trust receipts using the **account Trust Liabilities**. Recommended accounting journal entries are provided under FMG No. 9 series of 2020, covering collection, remittance, receipt of NCA, disbursement, revalidation of NCA and reversion of amount no longer necessary.

B. Request for BTr Certification of Deposited National Collection

1. The agency shall request for Certification of Deposited National Collection with an **agency approved letter request supported with certified true copy of bank validated deposit slip** to appropriate BTr offices as follows:
 - a. The BTr-National Cash Accounting Division (NCAD) for remittances **from prior years up to July 31, 2022**, regardless of type of funds.

- b. The BTr Regional/District/Provincial Office for remittances of the **current year starting August 1, 2022.**

Request for BTr Certification requiring adjustment and/or reclassification from one fund to another shall be **supported by BTr-NCAD Journal Entry Voucher (JEV)** recognizing the adjustment before a certification can be issued by BTr ROs/POs.

B. Request for Release of NCA from DBM

1. Request for release of NCA from DBM shall be supported by the following documents:
 - a. Agency approved letter request;
 - b. BTr Certification of Deposited National Collections;
 - c. Proof of receipt of trust or Official Receipt or certified true copy of bank validated deposit slip;
 - d. BED 1 - Financial Plan;
 - e. BED 2 – Physical Plan; and
 - f. BED 3 – Monthly Disbursement Program.
2. Detailed procedures on request for NCA for trust receipts are provided in FMG No. 25 series of 2022.

C. Request for Reclassification/Adjustment of Collection to BTr-NCAD

1. Adjustment of deposited collections may be allowed on the following grounds:
 - a. Returned checks;
 - b. Over/under/double posted collections thru over-the-counter Online Collections (OnColl) and/or Electronic Payment;
 - c. Reclassification of type of funding source due to incorrect clearing account used; and
 - d. Reclassification of NCO Code and Organization Code of the Agency to be credited
2. The necessary reclassification/adjustment in the books of accounts shall be made by the agency by way of JEV.
3. The agency shall accomplish Data Change Request Form (Annex A) for reclassification and submit to BTr-NCAD together with the following documents:
 - a. Agency approved letter request for adjustment/reclassification
 - b. Relevant documents such as:
 - b.1. Bank validated deposit slip or bank credit advice for any adjustments and/or reclassification for the current collection within the current year or until 31st of January of the succeeding year;
 - b.2. JEV for reclassification/adjustment in the books of the agency; and
 - b.3. Other documents that may be required by the BTr during validation.
4. The BTr-NCAD shall issue JEV to effect the adjustment/reclassification which will support the issuance of BTr Certification of Deposited National Collections

Based on TC No. 2-2022, adjustment/reclassification related to prior years deposited collections which were erroneously deposited/remitted to the BTr under the General Fund instead of Trust Receipts and/or Special Account in the General Fund (SAGF) which were closed to Accumulated Surplus/Deficit in the National Government (NG) books at year end and already part of the Appropriated Surplus of the NG for that particular year, hence any adjustment thereto shall be recognized and charged against the current year General Fund collections of the requesting NGAs.

D. Receipt of NCA for Trust Receipts

Upon favorable action from the DBM, NCA shall be issued corresponding to the requested NCA pertaining to LGUs counterpart share on the care and maintenance of CICL.

Receipt of NCA for trust receipts shall be recorded under Funding Source Code 07308602 with validity period until end of the current year. Any unutilized amount may be requested for NCA revalidation to DBM when necessary, supported by the following:

- a. Agency approved letter request;
- b. Bank certification of lapsed NCA; and
- c. List of due and demandable accounts payable.

However, amounts no longer necessary may be reverted to the General Fund per FMG No. 9 series of 2020.

For information and guidance.

ATTY. EDWARD JUSTINE R. ORDEN

4 8.

WCB/JSR/GASN/RPB/10252

6.16.2023

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For information and guidance.


ATTY. EDWARD JUSTINE R. ORDEN

WCB/JSR/GASN/RPB/10252

**ANNEX A:
SAMPLE FORM FOR DATA CHANGE REQUEST**



Funding the Republic

REPUBLIKA NG PILIPINAS
KAGAWARAN NG PANANALAPI
KAWANIHAN NG INGATANG-YAMAN
(BUREAU OF THE TREASURY)

Data Change Request Form (DCR)

DATE OF REQUEST:	DATE RECEIVED:	BANK:	AGENCY NAME:	AGENCY ADDRESS:
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APPLICATION SYSTEM: NATIONAL GOVERNMENT COLLECTION AND DISBURSEMENT SYSTEM (NGCDS)

DATE PREPARED:

REASON/S OF ADJUSTMENT:

- Returned checks
- Over/Under/Double posted collections
- Reclassification of type of funding source due to incorrect clearing account used
- Reclassification of NCO Code and Organization code of the Agency to be credited

DETAILS OF DATA CHANGE:

NGCDS							Bureau of the Treasury						
Clearing Account	Agency Name	Organization Code	NCO Code	Fund Type	Funding Source	Amount	Clearing Account	Agency Name	Organization Code	NCO Code	Fund Type	Funding Source	Amount

Endorsed by:

Name of the Preparer
Position/Designation

Approved by:

Authorized Signatory
Position/Designation

This portion is for BTr-National Cash Accounting Division (NCAD)

- If reclassified and recognized in the BTr NG Books:
JEV Number:
JEV Date:
- If not yet reclassified in the BTr NG Books:
Option in NGCDS module to:
 Add
 Edit
 Delete

This form must be accompanied by written request with supporting attachment from the concerned bank & must be in conformity with the General Guidelines, item 4 of the Treasury Circular No. 13-2013 dated December 13, 2013.

DRN: FMS-RPAD-A-COMM-20-02-15412-S

MEMORANDUM

FOR : ALL REGIONAL DIRECTORS
DSWD Field Offices

ATTENTION : REGIONAL ACCOUNTANTS AND
ASSISTANT REGIONAL DIRECTORS FOR ADMINISTRATION

FROM : THE UNDERSECRETARY
General Administration and Support Services Group

SUBJECT : *FINANCIAL MANAGEMENT GUIDELINES NO. 9* LGUs SHARE IN
THE CARE AND MAINTENANCE OF THE CHILD IN CONFLICT
WITH THE LAW

DATE : 30 January 2020

This pertains to the LGUs share in the care and maintenance of the child in conflict with the law who are catered by the DSWD concerned Residential Care Facilities.

As quoted from Section 50 of RA No. 9344 Juvenile Justice and Welfare Act dated April 28, 2006, the law states that:

“Care and Maintenance of the Child in Conflict with the Law. – The expenses for the care and maintenance of a child in conflict with the law under institutional care shall be borne by his/her parents or those persons liable to support him/her: *Provided,* That in case his/her parents or those persons liable to support him/her cannot pay all or part of said expenses, the municipality where the offense was committed shall pay one-third (1/3) of said expenses or part thereof; the province to which the municipality belongs shall pay one-third (1/3) and the remaining one-third (1/3) shall be borne by the national government. Chartered cities shall pay two-thirds (2/3) of said expenses; and in case a chartered city cannot pay said expenses, part of the internal revenue allotments applicable to the unpaid portion shall be withheld and applied to the settlement of said obligations: *Provided, further,* That in the event that the child in conflict with the law is not a resident of the municipality/city where the offense was committed, the court, upon its determination, may require the city/municipality where the child in conflict with the law resides to shoulder the cost.”

✓ The collection of 1/3 or 2/3 shares from LGUs whichever may be applicable shall be recorded as trust receipts under Fund Cluster 7, to be deposited to the Bureau of Treasury (BTr) and subject for request of Notice of Cash Allocation (NCA) to the Department of Budget and Management (DBM). This is in accordance with Section 6 of the General Provision of the GAA2020 and E.O. No. 336-1996.

Recommended accounting journal entries are as follows:

PARTICULARS	DEBIT	CREDIT
a. Upon collection		
Cash Collecting Officer	XX	
Trust Liabilities		XX



PARTICULARS	DEBIT	CREDIT
<i>b. Remittance to BTr</i> Cash, Treasury/Agency Deposit, Trust Cash Collecting Officer	XX	XX
<i>c. Receipt of NCA</i> Cash, MDS Trust Cash, Treasury/Agency Deposit, Trust	XX	XX
<i>d. Payment of Expenses</i> Trust Liabilities Cash, MDS Trust	XX	XX
<i>e. Lapsed NCA for revalidation</i> Cash, Treasury/Agency Deposit, Trust Cash, MDS Trust	XX	XX
<i>f. Reversion to General Fund of amount no longer needed</i> Trust Liabilities Cash, MDS Trust	XX	XX

The lapsed amount may be requested for revalidation of NCA to DBM, while, unutilized amount no longer needed may be reverted to the General Fund.

The Financial Management Divisions of the FOs are, therefore, enjoined to strictly and consistently follow these guidelines.

For information and guidance.


JOSE ERNESTO B. GAVIOLA

DRN: FMS-RPBD-A-COMM-22-04-32168-S

FOR : HEADS OF ALL OFFICES, BUREAUS, SERVICES AND UNITS
DSWD Central Office

THE REGIONAL DIRECTORS
DSWD Regional Offices I to XII, NCR, CAR and CARAGA

FROM : THE UNDERSECRETARY
General Administration and Support Services Group

SUBJECT : FINANCIAL MANAGEMENT GUIDELINES NO. 25 (2022):
PROCESSING OF REQUESTS FOR OBLIGATIONAL AND
DISBURSEMENT AUTHORITIES TO THE DEPARTMENT OF
BUDGET AND MANAGEMENT

DATE : May 20, 2022

In the interest of service and in order to expedite the processing of documents pertaining to requests for obligational and disbursement authorities to the Department of Budget and Management (DBM), the subsequent guidelines hereto are prescribed to assist the Offices/Bureaus/Services/Units (OBSU) and Field Offices (FO) in preparing for the documents to support the requests for such obligational and disbursement authorities.

I. LEGAL BASIS

1. Republic Act No. 11639, General Appropriations Act of FY 2022, General Provisions and NDRRMF Special Provision No. 1(b)
2. Budget of Expenditures and Sources of Financing FY 2022, Glossary of Terms
3. Republic Act (R.A.) No. 7917, An Act Amending Section 8 of Republic Act Numbered Seventy-Two Hundred and Twenty-Seven, Otherwise Known as the Bases Conversion and Development Act (BCDA) of 1992, Providing for the Distribution of Proceeds from the Sale of Portions of Metro Manila Military Camps, and for Other Purposes Sections 1(d) (12 and 14)
4. Administrative Order (AO) No. 236, Prescribing Rules and Regulations on the Collection, Remittance and Utilization of Sales Proceeds under Republic Act No. 7227 as amended by Republic Act No. 7917, Sections 4.5(12 and 14)
5. Republic Act No. 11639, General Appropriations Act of FY 2022, General Provisions Section 85 Uses of Funds for Foreign Assisted Projects under , N.B.C. No. 581 dated December 27, 2020

II. OBJECTIVES

To provide for guidance in the request for obligational and disbursement authorities to the Department of Budget and Management.

III. DEFINITION OF TERMS

1. Augmentation of funds – refers to the act of constitutional offices authorized to use current year savings in their respective appropriations to cover actual current year deficiencies in any existing item of appropriations within their respective offices.
2. Budget Execution Documents (BED) - refers to annual documents required at the onset of the budget execution phase, which contain the agencies' targets and plans, physical as well as financial, for the current year.
3. Deficiency in appropriation – refers to the results from: (a) unforeseen modifications of adjustments in the program, activity or project; (b) re-assessment in the use, prioritization and/or distribution of resources, authorized in the General Appropriations Act (GAA).
4. GAAAO - General Appropriation Act (GAA) as Allotment Order is a mechanism whereby upon the effectivity of the GAA, budgets of agencies or "appropriations" in the GAA are considered released as allotments, except for those included in the negative list.¹
5. Item of appropriation – pertains to the amount appropriated for an activity or project authorized in the GAA.
6. Modification - refers to a change in the allotment issued within an activity or project subject to approval of the Head of Agency, the DBM or the Office of the President
7. Notice of Cash Allocation (NCA) – refers to the cash authority issued by the DBM to central, regional and provincial offices and operating units through the authorized government servicing banks of the MDS, to cover the cash requirements of the agencies.
8. Savings – refer to portions or balances of any released appropriations in the GAA which have not been obligated as result of (a) completion, final abandonment of a program, activity of project for which the appropriation is authorized and (b) implementation of measure resulting in improved systems and efficiencies and thus enabled an agency to meet and deliver the required or planned targets, programs and services at a lesser cost.
9. Special Allotment Release Order (SARO) - refers to a specific authority issued to identified agencies to incur obligations not exceeding a given amount during a specified period for the purpose indicated. It shall cover expenditures the release of which is subject to compliance with specific laws or regulations, or is subject to separate approval or clearance by competent authority.²
10. Foreign-Assisted Projects (FAPs) - projects partly or fully financed by foreign loans.

¹ DBM Budget of Expenditures and Sources of Financing (BESF) FY 2020 Glossary of Terms

² DBM Budget of Expenditures and Sources of Financing (BESF) FY 2019 Glossary of Terms

IV. OPERATIONAL GUIDELINES

A. MODIFICATION OF FUNDS

1. Generally, agencies are authorized to spend what is programmed in their respective appropriations as authorized in the GAA. In exceptional cases, agencies may modify the allotment issued within an activity or project subject to the approval of the pertinent Authority.
2. Modifications of allotment that shall be referred to the DBM for approval are as follows:
 - a. from one allotment class to another;
 - b. from one operating unit to another; and
 - c. within a special purpose fund.
3. To facilitate the request for modification of funds, the following documents³ must be submitted by the OBSUs to FMS:
 - a. Cluster Head Approved request
 - b. Financial Plan (BED 1)
 - c. Physical Plan (BED 2)
 - d. Monthly Disbursement Program (BED 3)
 - e. List of Capital Outlay Requirements with Costs, if applicable
 - f. Justification for the proposed modification
 - g. Certificate of Availability of Funds and Sources of Funds identifying the objects of expenditure affected by the modification
4. Additional Documents are required when the modification will result to additional allotment in Capital Outlay (CO) such as modification from MOOE to CO within the same PAP:
 - a. Program of Works, in case of modification of funds to procure infrastructure CO, installation of office systems, and similar nature.
 - b. Information Systems Strategic Plan (ISSP), in case of Information Technology equipment and systems.
 - c. Fleet Replacement Plan, Technical Specifications of Motor Vehicles and at least three quotations, for modification of funds to procure Motor Vehicles.
5. The FMS - Budget Division, Regular Program/Special Projects (BDRP/BDSP) will prepare a letter request to the DBM for issuance of the SARO. Once the DBM releases the SARO thru the DBM's Action Document Releasing System (ADRS) portal, the fund controller will notify the respective OBSU thru its Designated Finance Officers (DFO).

B. REQUEST FOR AUGMENTATION OF FUNDS

1. The particulars of the expenditures to be funded from savings should be within the scope of, or covered by existing activity or project. The existence of activity or project regardless of the availability of allotment class is sufficient for the purpose of augmentation.

³ All documents must be signed before transmitting to FMS

2. A non-existent activity or project, in any case, is not eligible for funding by augmentation from savings or by the use of an appropriation in the GAA.
3. To facilitate the request for augmentation of funds, the following documents must be submitted by the OBSUs to FMS:
 - a. Request Letter for Augmentation of Funds to DBM⁴
 - b. Financial Plan (BED 1)
 - c. Physical Plan (BED 2)
 - d. Monthly Disbursement Program (BED 3)
4. Additional documents are required if the augmentation of funds will be sourced from another program/activity/project (P/A/P) allotment of the Department:
 - a. Declaration of Savings Certified by the Head of OBSU
 - b. Proof of Completion of the physical targets of the P/A/P such as BAR No. 1 Physical Report of Operation, if savings is due to completion of a P/A/P
 - c. Certificate of final discontinuance or abandonment of a P/A/P, if savings is due to abandonment
5. The FMS BDRP/BDSP will review the documents submitted and forward the same to signatories for approval.
6. Once the DBM releases the SARO thru the DBM's Action Document Releasing System (ADRS) portal, the fund controller will notify the respective OBSU thru its DFO.

C. REQUEST FOR SARO AND NCA FOR THE AUGMENTATION OF QUICK RESPONSE FUND (QRF)

Whenever the balance of the QRF reaches down by 50% or below, it is being augmented from the National Disaster Risk Reduction and Management Fund (NDRRMF), subject to the approval and issuance of SARO/NCA by the DBM.

The request shall require the submission of the documents mentioned under Subsection B.3 hereof.

In addition, the request to the DBM must be supported by the Statement of Allotment, Obligations and Balances (SAOB) certified by the Chief of BDRP.

D. SARO/NCA FOR DSWD SHARE IN THE PROCEEDS OF DISPOSITION OF METRO MANILA MILITARY CAMPS (BCDA FUNDS)

1. The BCDA funds represents the share of the Department of Social Welfare and Development (DSWD) from the proceeds of the disposition of Metro Manila military camps as follows:
 - a) 2% for the establishment of pre-school and day care centers nationwide allocated to the Department of Education (DepEd) and the DSWD (hence, on 50:50 basis the DSWD net share is 1%).

⁴ with initials of the OBSU and Cluster Head in the signature line

- b) 1% for the construction of Senior Citizens Centers solely allocated for the DSWD
2. The DSWD sends a letter of inquiry to BCDA from time to time, usually whenever the notification is not received by the Department during the year, verifying its share on the remittances of the BCDA from the proceeds of the disposition of Metro Manila Military Bases to the Bureau of Treasury (BTr).
 3. On the receipt of the BCDA Notice of the DSWD share, the FMS BDRP sends a Memo to the Program Management Bureau (PMB) requiring the latter to submit the necessary documentary requirements, as listed in Subsection D.8 hereof, as the basis of the DSWD request to the DBM for the issuance of SARO and NCA for the utilization of the above-said Fund.
 4. Upon completion/submission of the supporting documents by the PMB, the FMS BDRP prepares a letter requesting the DBM to release the SARO and the corresponding NCA for the access and utilization of the fund.
 5. The receipt of the SARO and NCA signals the FMS BDRP to prepare the Sub-Allotment Release Order (Sub-ARO) and transmit the said document to the concerned DSWD Field Office for implementation or transfers the fund to the beneficiary LGU subject to the requisite supporting documents.
 6. BCDA funds are automatic appropriations and only available for obligation during the year the corresponding SARO/NCA is issued and therefore, lapsed and no longer valid at the end of the said year of issuance in accordance with the policy of the DBM on Automatic Appropriations pursuant to the NBC No. 551 series of 2014, paragraph 4.18.1 thereof.
 7. However, whatever balance remaining of the lapsed/unobligated allotted BCDA funds may be requested for re-issuance of new SARO/NCA, supported by updated supporting documents, preferably at the immediate year following the lapsing of the said original documents.
 8. The documentary requirements to support the request for SARO/NCA in this particular case are as follows:
 - a. Financial Plan (BED 1)
 - b. Physical Plan (BED 2)
 - c. Monthly Disbursement Program (BED 3)
 - d. Proof of readiness of LGUs to implement the project/activity:
 - i. Location Plan on a government property/lot as define/identified by Resolutions, Memorandum of Agreements and/or Proof of ownership
 - ii. Detailed Engineering Design of the structure to be constructed.

E. SARO/NCA FOR FOREIGN-ASSISTED PROJECTS (FAPS)

1. Foreign Loan-Assisted Projects reflected in the GAA without changes from the NEP version shall be covered by the GAAAO policy.

2. For new FAPs, the signed loan/grant/donation agreement must be submitted to the DBM together with the other documentary requirements to support the release of the SARO and NCA are as follows:
 - a. Agency Letter of Request for Forward Obligational Authority (FOA)
 - b. ICC-CC and/or NEDA Board Action Letters addressed to the Secretary of the NGA/IA
 - c. Project Evaluation Report (PER)
 - d. Appraisal Report or Minutes of Technical Discussions
 - e. Other documents, as may be applicable based on the agreement

3. For duly approved/effective FAPs without any specific programmed appropriation, the NGA shall submit a Special Budget Request to DBM for issuance of a SARO and NCA chargeable against the Unprogrammed Appropriations - Support to FAPs, as may be applicable. The documentary requirements are as follows:
 - a. Special Budget Request
 - b. Copy of Signed Foreign Loan/Grant/Donation Agreement including copy of the Appraisal Report
 - c. Updated BED No. 1
 - d. Updated BED No. 2
 - e. Updated BED No. 3
 - f. Updated Project Profile
 - g. ICC approval/ICC-Secretariat/NEDA Board Action letter to the NGA/IA for additional work and change orders, if applicable.
 - h. Other documents, as may be applicable based on the agreement'

4. After the issuance of SARO, the National Program Management Office shall request for the release of Notice of Cash Allocation (NCA) and documentary requirements are as follows:
 - a. Agency Letter of Request for the release of NCA
 - b. Certification from the BTr on Loan Proceeds Remitted/Deposited
 - c. Copy of notice of sub-allotment issued by the NGA, if applicable
 - d. Other documents, as may be applicable based on the agreement

F. REQUEST FOR NOTICE OF CASH ALLOCATION (NCA)

1. The DBM regularly credits the cash allocation of the Department on a monthly basis⁵ based on the submitted Monthly Disbursement Program (MDP).
2. However, when the concerned Office/Bureau/Service determines that the anticipated disbursement for a certain month is more than or less than the MDP, the concerned DFO must update the Finance and Management Service through memo.
3. In case of Field Offices, additional NCA/NTA requests and supporting documents must be submitted to the Central Office through FMS-ADRP for Regular Programs and FMS-BDSP for Special Projects for review and recommendation. The documentary requirements to support the request are as follows:
 - i. Request Letter for Additional NCA (requested amount should be net of tax)
 - ii. Summary per PAP, if various program requests

⁵ Monthly crediting on the 1st working day of the month

- iii. Detailed list of Due and Demandable Accounts Payable (LDDAP) with subtotal per program, duly signed by the Chief Accountant, certifying the veracity and accuracy of claims listed therein; and Approved by the Regional Director, must include the the following information:
 - Payee/Creditor
 - Preferred Servicing Bank/Account Number
 - Obligation Request No.
 - Allotment Class (per UACS)
 - Gross Amount
 - Withholding Taxes
 - Net Amount
 - PAP Name
- iv. Certification on Request of Cash Allocation for Accounts Payable signed by Regional Director
- v. Certification of Insufficient Cash Balance for common fund signed by Regional Director
- vi. Snapshot of MDS account balance (Cash Unit)
- vii. Projected Cash Report (Cash Unit)
- viii. Justification (if applicable)
- ix. Lapsed NCA (if applicable)

4. The FMS-ADRP for Regular Programs or the FMS-BDSP for Special Projects, shall consolidate all corresponding requests for additional NCA from various FOs and CO anticipated cash deficiency for preparation of request for additional NCA to DBM.
5. In any case, the FMS has the final discretion whether to proceed with the request for additional NCA with the DBM after assessment and analysis of the sufficiency or insufficiency of the available cash allocation.

G. REQUEST FOR CASH ALLOCATION FOR TRUST RECEIPTS

1. The ADRP/ADSP shall request Certification of Deposit from the Bureau of Treasury corresponding to the amount of donations remitted.
2. Upon receipt of Certification of Deposit, the Accounting Division/Unit shall transmit the document to the concerned OBSU with the instruction on the preparation of necessary Budget Execution Documents (BEDs), copy furnish the BDRP/BDSP.
3. The concerned OBSU shall prepare/accomplish the following BEDs as required by the DBM and shall be submitted to the BDRP/BDSP.
 - a. BED 1 – Financial Plan
 - b. BED 2 – Physical Plan
 - c. BED 3 – Monthly Disbursement Program
4. The BDRP/BDSP shall check the correctness of the BEDs and if in proper, shall prepare letter requests to DBM for the issuance of SARO and/or NCA.

All OBSUs are enjoined to strictly comply with the above guidelines in the request for obligation and disbursement authorities.

Attached herewith are the following checklists for your reference.

Reference	Document Title
Annex A	Checklist for Obligational Authorities
Annex B	Checklist for Disbursement Authorities

For information and guidance.



ATTY. ADONIS P. SULIT, CESO II