

DRN: FMS-ADSP-A-COMM-24-02-34888-C**MEMORANDUM**

FOR : **THE REGIONAL DIRECTORS**
DSWD Regional Offices I to XII, CAR and CARAGA

ATTENTION : **REGIONAL ACCOUNTANT/ADMINISTRATIVE OFFICER V**
Financial Management Division – Accounting Unit

FROM : **THE UNDERSECRETARY**
General Administration and Support Services Group

SUBJECT : **FINANCIAL MANAGEMENT GUIDELINES NO. 48 (2024):
GUIDELINES ON THE RELEASE OF NOTICE OF CASH
ALLOCATION FOR THE GOP COUNTERPART FUNDS OF THE
EXISTING FOREIGN-ASSISTED PROJECTS UNDER FUND
CLUSTER 2**

DATE : **20 FEBRUARY 2024**

This refers to the release of Notice of Cash Allocation (NCA) for the Government of the Philippines (GOP) counterpart funds of the existing Foreign Assisted Projects (FAPs) under Fund Cluster (FC) 2 of the Department.

Pursuant to Section 4.2.1.5 of the National Budget Circular No. 592¹ and as confirmed by the Department of Budget and Management (DBM), the crediting of NCAs for the GOP counterpart funds for all FAPs under FC 2 shall be under the Regular Modified Disbursement Scheme (MDS) Sub-account of the agency.

Relative thereto, please be guided by the following:

1. Under the Common Fund System, the FO is enjoined to optimize the use of the available NCAs/NTAs under the Regular MDS Sub-Account to cover the payment of both current year and prior years' Accounts Payables (APs) due to all creditors (external and internal). However, for FC 2 (FAPs), only mandatory expenses – such as Cost of Services, utilities, and other Incremental Operating Cost (IOC) – shall be accommodated using the common fund system. The disbursement of subsidies is contingent upon the release of NCA from the DBM, unless the FO can accommodate such disbursements using the common fund system, with endorsement from the Head of Office of the funding source and approval from the Assistant Regional Director for Administration (ARDA). It is understood that all disbursements made through the common fund system will be subjected to an NCA augmentation through the DBM, as deemed necessary.

¹ Guidelines on the Release of Funds for Fiscal Year 2024

