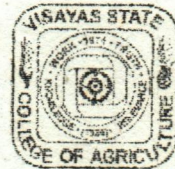


VISAYAS STATE COLLEGE OF AGRICULTURE

Baybay, Leyte, Philippines

Office of the President



12 January 2001

MEMORANDUM CIRCULAR NO. 5

Series of 2001

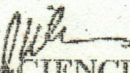
T O: All Concerned

R E: Obligation and Payment of Claims

In FY 2000, the release of the additional allotment for the 10% salary increase was lesser than what was originally requested. The computation was based on the actual obligations from January to September plus the average requirements from October to December. This covers both Personal Services and MOOE. Following this line of computation, it created an impression that we have savings but in reality, there were expenditures that were not yet obligated and were already considered as savings. Some of these are claims for honorarium of department heads and directors and other claims for reimbursements like travel. They claimed only towards the end of the year.

This year 2001, we are expecting another salary increase and the DBM might use the same computation in releasing fund allocation for the purpose. You are, therefore, advised to process all legitimate claims due for the month within the month to avoid creation of artificial savings. Furthermore, our cash allocation is released monthly and any unused amount is deducted from the succeeding monthly cash allocation. This is jeopardizing our monthly operation. Such deduction is not anymore replenished, thus, reducing our total cash requirement for the year.

For information and guidance.


PACIENCIA P. MILAN
President