

VISAYAS STATE COLLEGE OF AGRICULTURE
Baybay, Leyte

OFFICE OF THE PRESIDENT

April 13, 1999

Memorandum No. 23
Series of 1999

To: All Project/Study Leaders

Subject: Deposit of Trust Receipts Accounts under MDS – Trust

This is to inform you of an important provision of National Budget Circular No. 463 dated 20 January 1999 which affects trust receipts accounts. Sec. 3.9.3 of said circular states that a separate MDS account, which shall be called MDS-Trust, shall be maintained to cover trust liabilities. This was mandated under EO. 338 with the implementing guidelines under COA-DBM-DOF JC No. 1-97 that directed the deposit of all cash balances to the National Treasury.

The classification of the trust accounts was deliberated on by the Finance Committee, which shall be deposited under the following code identifications:

1. Fund Code 184

Receipts from non-income sources by agencies acting as agents for the fulfillment of an obligations, such as performance bonds, bail bonds, receipts for refunds, honorarium, etc. This account is not subject to special budget.

2. Fund Code 284

Receipts from non-income sources intended for projects/activities to be undertaken by agencies. **The amounts deposited under this fund code shall be released only upon submission of a special budget.**

The Notice of Cash Allocation (NCA) issued for the purpose shall be valid in the year of issue and shall lapse on December 31 of said year. The lapsed/unutilized portion, inclusive of unused portion of additional deposits made during the year, shall be subject to issuance of another NCA for the unutilized amount in the ensuing year. It should be noted that the NCAs issued are to be used only for direct disbursements, i.e., for payment of expenses as intended by the project being implemented.

In view of the foregoing, please submit to the FMO/Budget Office a special budget of the project(s) under your responsibility on or before April 19. Please coordinate with the Accounting Office on the affected trust accounts and the exact amount to be budgeted.

Please comply with this requirement. We wish to inform you of the penalty clause of JC 1-97 which states that failure to comply shall subject the responsible official(s) and/or employee(s) to appropriate criminal and/or administrative action.


SAMUEL S. GO
President 4/12/99