TESDA CIRCULAR

SUBJECT: Guidelines on the Downloading of Centrally Managed Funds		Page 1 of 7 page/s Number 020, Series of 2021
Date Issued: March 11, 2021	**Effectivity:** Immediately	**Supersedes:**

In the Interest of the service and in line with our effort to provide a clearer work instruction on downloading of funds to the regions to better monitor the flow of funds and to ensure that the funds are downloaded to the intended beneficiary Operating Units (OUs), the Guidelines on the Downloading of Funds is hereby issued.

I. Scope and Coverage

This circular shall cover the downloading of funds to the regions for the following programs and purposes:

1. Personal Services (PS)

1.1 Salaries of casual and contractual personnel
1.2 Hazard Pay on Magna Carta for Health Workers
1.3 Terminal Leave Benefits of Retiring Employees
1.4 All other Benefits that may be declared by the concerned authorities

2. Miscellaneous and Other Operating Expenses (MOOE)

2.1 Regular MOOEs

2.2 Scholarship Funds

2.2.1 Training for Work Scholarship Program (TWSP)
2.2.2 Special Training for Employment Program (STEP)
2.2.3 Universal Access to Quality Tertiary Education (UEQTEA)
2.2.4 Tulong Trabaho Scholarship Program (TTSP)
2.2.5 Rice Competitive Enhancement Fund (RCEF)
2.2.6 Barangay Kabuhayan Skills Training Program (BKSTP)
2.2.7 Private Education Student Financial Assistance (PESFA) for BARMM

II. Rationale

The Department of Budget and Management (DBM) and the Technical Education and Skills Development Authority (TESDA) under DOLE issued Joint Circular No. 2011-1 dated March 11, 2011 on the Guidelines on the Direct Release of Funds to TESDA Implementing Units (IUs). However, there are centrally managed funds which shall be downloaded to the OUs the guidelines of which is not covered by the said circular. TESDA has already issued last October 2020 TESDA Circular

No. 135 or the FY 2021 Administrative and Financial Guidelines. The circular however does not provide details on the downloading of funds to the regions hence the issuance of this circular.

III. Procedures

1. Personal Services

1.1 The concerned regions shall submit to the Office of the Director General, Attention Administrative Service their PS requirement. The request shall serve as the basis for the computation and downloading of funds.

1.2 The request shall be supported with the following documents:

1.2.1 Salaries of casual and contractual personnel (to be submitted within the first quarter of the year)

- PS Requirement for the whole year broken down per quarter
- Copy of Appointment

1.2.2 Hazard Pay on Magna Carta for Health Employees (to be submitted within the first quarter of the year)

- Copy of Appointment and Assumption of Duty
- Certification of services rendered as Public Health Worker (PHW)
- Computation of amount for hazard pay, subsistence and laundry allowance

1.2.3 Terminal Leave Benefits (to be submitted as the need arises)

- Approved Application for leave
- Statement of Assets, Liabilities and Net Worth
- Acceptance of Retirement/Resignation
- Clearance from money and property accountabilities
- Complete service record
- Copy of last appointment
- Notice of Salary Adjustment
- List of actual retirees to be paid (DBM Form Annex B)

1.2.4 Teaching Position (to be submitted as the need arises)

- Copy of Appointment and Assumption of Duty
- PS Requirement
- Copy of Plantilla and NOSCA

- Monthly Disbursement Program (MDP)

1.3 The Department of Budget and Management (DBM) may require additional Documents to support the request.

2. Miscellaneous and Other Operating Expenses (MOOE)

2.1 Regular MOOEs

The regular MOOEs referred to in this circular are expenses other than scholarship which may be charged to the regular MOOE allotment of the central office.

2.1.1 The requesting office shall submit their request for transfer of fund to the Office of the Director General, Attention FMS through a memorandum with detailed computation of the amount requested.

2.1.2 The requesting office shall attach documents such as Terms of Reference (TOR) and other documents that would support the request.

2.2 Scholarship Funds

The Scholarship Funds referred to in this circular are centrally managed funds for TWSP, UAQTEA, STEP, TTSP, PESFA, RCEF-RESP and BKSTP which include cost of tuition/training and national assessment, training support fund, entrepreneurship cost, administrative cost and other provisions stipulated in the schedule of cost for TESDA scholarship programs.

2.2.1 All centrally managed scholarship funds shall be downloaded to the regions based on their respective approved Project Proposals and Regional Qualification Maps (RQMs).

2.2.2 In the downloading of funds to the regions, the Scholarship Management Division (SMD) shall comply with the following:

2.2.3 The Scholarship Management Division (SMD) shall request from the Financial Management Service (FMS) the downloading of scholarship funds to the regions through a request memorandum signed by the ROMO Director.

2.2.4 Attached to said memorandum shall be the following documents:

2.2.4.1 Obligation Request and Status (ORS) signed by the ROMO Director.

2.2.4.2 Disbursement Voucher (DV) signed by the Deputy Director General, TESDO at box A.

2.2.4.3 Approved Project Proposal and Regional Qualification Map (RQM)

2.2.5 Funds for the training toolkits shall remain with the Central Office which shall be responsible for the procurement of said toolkits.

2.2.6 Provided under Sections 3, 4, 5 and 6 of special provision for TESDA of FY 2021 GAA (RA 11518) is the 3% administrative cost which is the portion of scholarship funds intended for administrative expenses arising from the implementation of scholarship programs.

The 3% administrative cost shall be distributed as follows:

90% of the total Administrative Cost - shall be downloaded to the regions

10% of the total Administrative Cost - shall remain with the central office

2.2.7 The administrative cost shall be downloaded to the regions following the formula below:

Regional Admin. Cost
Scholarship Fund to be downloaded x 3.00% x 90%

Central Office Admin. Cost
Scholarship Fund to be downloaded x 3.00% x 10%

2.2.8 Upon receipt of the fund for the administrative cost, the regional office shall immediately download **90%** of the administrative cost to the provincial offices which shall be distributed proportionate to the amount of scholarship funds downloaded to each provincial office. The remaining **10%** shall be retained by the regional office for their expenses in line with the implementation of the scholarship programs.

2.2.9 The downloading of administrative cost to the regions shall be done monthly at least five (5) days before the end of the month or when there are downloaded funds for the scholarship program.

2.2.10 In the case of RCEF which under RA 11203, only the Sub-allotment Release Order (Sub-ARO) shall be forwarded to the regions. The Sub-ARO shall be presented to their respective regional DBM for the issuance of Notice of Cash Allocation (NCA).

2.2.11 RCEF is purely training cost since no administrative cost is provided by the law.

3. In the case of the Bangsamoro Autonomous Region for Muslim Mindanao (BARMM), transfer of funds through the Ministry of Basic, Higher and Technical Education (MBHTE) shall be in the form of Cash Advance (CA). The transfer as well as liquidation of said cash advance shall be in accordance with COA Circular 94-013, dated December 13, 1994: *Rules and Regulations in the Grant, Utilization and Liquidation of Funds Transferred to Implementing Agencies.*

No cash advance shall be granted to BARMM through MBHTE until the previous CA has been fully liquidated.

TESDA CIRCULAR

SUBJECT: Guidelines on the Downloading of Centrally Managed Funds		Page 6 of 7 page/s Number 020, Series of 2021
Date Issued: March 11, 2021	**Effectivity:** Immediately	**Supersedes:**

4. Process Flow of Downloading of Funds:

Key Players	Key Steps/No. of Working Days		Interfaces
	Included in the PCT	**Not included in the PCT**	
OPR	Prepare Obligation Request and Status (ORS) and Disbursement Vouchers (DVs) (1 day)		ORS DV
Budget Division FMS-OED	Process ORS and Prepare Sub-Allotment Release Order (Sub-ARO) Sign/Approve Sub-ARO (1 day)		ORS Sub-ARO
Budget Division OPR Regional Office		Transmit Approved Sub-ARO	Sub-ARO
Refer to TESDA Circular No. 012, s. 2019	Sign/Approve DV for Box A (1 day)		DV
Accounting Division	Process DV and Sign for Box C (1 day)		DV
Refer to TESDA Circular No. 012, s. 2019	Sign/Approve DV for Box D (1 day)		DV
Cash Unit FMS-OED	Prepare Notice of Transfer of Allocation (NTA) (1 day)		NTA
ODDG-TESDO/ ODG	Sign NTA Approve NTA (1 day)		NTA
Cash Unit Regional Office		Transmit Approved NTA	NTA
Total	**Total: 7 days**		

TESDA CIRCULAR

SUBJECT: Guidelines on the Downloading of Centrally Managed Funds		Page 7 of 7 page/s Number 020, Series of 2021
Date Issued: 9 MAR 16 2021 March 11, 2021	**Effectivity:** Immediately	**Supersedes:**

5. Downloading of funds to the regions shall be made within seven (7) working days after the receipt of the request.
6. To ensure the utilization of NCA, downloading of funds shall only be done not later than seven (7) working days before the end of the quarter.
7. To ensure immediate processing, all requests must be supported with the required documents.

This Circular shall take effect as indicated and supersedes all issuances inconsistent herewith.

SEC. ISIDRO S. LAPEÑA, PhD., CSEE
Director General