



Republic of the Philippines  
**Department of Education**  
**REGIONAL OFFICE NO. VIII (EASTERN VISAYAS)**  
 Government Center, Candahug, Palo, Leyte  
**ISO 9001:2015 CERTIFIED**



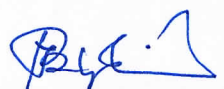
January 17, 2020

**REGIONAL MEMORANDUM**No. **038** 2020

**DISSEMINATION OF DEPED MEMORANDUM OUF-2019-0365**  
**(Copies of the Memorandum of Agreements for the Implementation of COA-DBM-DEPED Joint Circular No. 2019-1 and DepEd Order No. 29, s. 2019)**

To: Schools Division Superintendents  
 All Others Concerned

1. Attached is **Memorandum OUF-2019-0365** from the Office of **Undersecretary Annalyn M. Sevilla**, dated **November 21, 2019**, entitled **COPIES OF MEMORANDUM OF AGREEMENTS FOR THE IMPLEMENTATION OF COA-DBM-DEPED JOINT CIRCULAR NO. 2019-1 AND DEPED ORDER NO. 29, S. 2019** for information and guidance of all concerned.
2. Immediate dissemination of and strict compliance with this Memorandum are desired.

  
**RAMIR B. UYTICO, Ed.D., CESO IV**  
 Director IV

Enclosures: Memorandum OUF-2019-0365 dated November 21, 2019

References:

To be indicated in the Perpetual Index under the following subjects:

BANK ACCOUNTS  
 CASH ADVANCES  
 MEMORANDUM OF AGREEMENT  
 MOOE OF NON-IUs  
 POLICY



LEAD, EMPOWER, AND ACHIEVE THROUGH DATA-DRIVEN DECISIONS  
*...where LEADers create great schools*

Page 1 of 1

RELEASED  
32224  
By: *[Signature]* Date: 23 DEC 2019



Republic of the Philippines  
**Department of Education**

OFFICE OF THE UNDERSECRETARY FOR FINANCE

MEMORANDUM  
OUF-2019-0365

TO : REGIONAL DIRECTORS  
SCHOOLS DIVISION SUPERINTENDENTS

ATTENTION : Chief Administrative Officers, Regional Finance Divisions  
Chief Administrative Officers, Regional Administrative Divisions  
Schools Division Accountants  
Schools Division Cashiers

FROM : *[Signature]*  
ANNALYN M. SEVILLA  
Undersecretary

SUBJECT : COPIES OF THE MEMORANDUM OF AGREEMENTS FOR THE  
IMPLEMENTATION OF COA-DBM-DEPED JOINT CIRCULAR NO.  
2019-1 AND DEPED ORDER NO. 29, S. 2019

DATE : November 21, 2019

- For the purpose of clarity and transparency, Regional and Schools Division Offices are hereby being furnished copies of the Memorandums of Agreement (MOAs) executed by and between the Department and the following Government Servicing Banks (GSBs) in relation to the opening of bank accounts for non-implementing unit schools, for their cash advances for Maintenance and Other Operating Expenses and Program Funds pursuant to the said Joint Circular and DepEd Order:
  - Land Bank of the Philippines;
  - Development Bank of the Philippines; and
  - Philippine Veterans Bank.
- Regional and Schools Division officials and accountable officers are strongly encouraged to refer to the copies of these MOAs, for additional guidance.
- Immediate dissemination of this Memorandum and its attachments is directed.

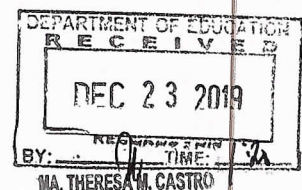
Attachments: As stated.

NOTE:

WE WILL SEND THE SCANNED COPIES  
OF MOAS OF 3 GSB'S TO YOUR EMAIL.

THANK YOU

/eamd



RELEASED 32225

By: *[Signature]* Date: 23 DEC 2019

## MEMORANDUM OF AGREEMENT

*[Signature]*  
JOSE LITO P. GUTIERREZ  
EVP, Branch Banking Sector

### KNOW ALL MEN BY THESE PRESENTS:

This Memorandum of Agreement (the "Agreement") executed by and between:

**LAND BANK OF THE PHILIPPINES**, a government financial institution duly organized and existing under and by virtue of R.A. 3844, as amended, with principal office at 1598 M.H. del Pilar corner Dr. J. Quintos Streets, Malate, Manila, represented herein by its President and Chief Executive Officer, **CECILIA C. BORROMEO**, hereinafter referred to as "**LANDBANK**",

- and -

**DEPARTMENT OF EDUCATION**, a government agency duly organized and existing under the laws of the Philippines, with principal office address at DepEd Complex, Meralco Avenue, Pasig City, represented herein by its Secretary, **LEONOR MAGTOLIS BRIONES**, hereinafter referred to as the "**DepEd**".

*[Signature]*  
CECILIA C. BORROMEO  
President and CEO

WITNESSETH: That -

**WHEREAS**, on January 01, 2004, the Department of Budget and Management (DBM) and the Department of Education (DepEd) issued Joint Circular (JC) No. 2004-1, Guidelines on the Direct Release of Funds to DepEd Regional Offices (ROs) and Implementing Units (IUs) which prescribes, among others, that the cash requirements of DepEd non-IUs shall be released to the respective School Heads by the Schools of Division Offices (SDOs) through Cash Advance (CA). Under the existing set-up, CAs to the School Heads of non-IUs for School Maintenance and Other Operating Expenses (MOOE) and Program Funds are released by the SDOs and constitute a sizeable amount;

**WHEREAS**, on February 04, 2019, the Commission on Audit (COA), DBM and DepEd issued JC No. 2019-1 entitled, "Management of Cash Advances to DepEd Non-IUs for School Maintenance and Other Operating Expenses (MOOE) and Program Funds" under the Public Financial Management (PFM) Reform Program of the DBM, COA and the Bureau of Treasury (BTr);

**WHEREAS**, the DBM, in collaboration with the BTr and the COA, is implementing the PFM Reform Program to enable the government to streamline processes, promote stronger financial accountability, and fully execute the authorized annual appropriations to promote growth and reduce poverty;

**WHEREAS**, a key objective of the PFM Reform Program is to install better cash management in government which will allow the BTr to strengthen the monitoring and management of government funds maintained outside of the Treasury Single Account (TSA) and the Modified Disbursement Scheme (MDS);

**WHEREAS**, the **LANDBANK** is an authorized depository bank of the Republic of the Philippines and considered a Government Servicing Bank (GSB), where the majority of the deposits of the National Government Agencies (NGAs) are maintained. **LANDBANK** commits to assist and support the DepEd in facilitating the implementation of JC No. 2019-1;

**WHEREAS**, the **DepEd** desires to avail of the **LANDBANK's** bank services particularly in the opening of bank accounts by DepEd non-IUs where the CA for School MOOE and Program Funds shall be deposited under the name of the said school; and the subsequent transfer to BTr of the corresponding interest income every quarter and cash balance per bank account every end of the year (net of the maintaining balance and outstanding checks);

*[Signature]*  
LEONOR MAGTOLIS BRIONES  
Secretary

**NOW, THEREFORE**, for and in consideration of the foregoing premises, the Parties hereby mutually agree to implement the aforementioned Joint Circulars in accordance with the following terms and conditions:

## SECTION I COVERAGE

This Agreement shall cover all DepEd's non-IUs nationwide namely, Elementary Schools, Junior High Schools and Senior High Schools operating without a complete set of Books of Accounts.

## SECTION II RESPONSIBILITIES OF THE PARTIES

The Parties herein undertake the following Duties and Responsibilities:

### 1. DepEd:

- 1.1 The School Head of non-IUs, through the Schools Divisions Superintendent, shall secure the approval of the BTr to open a Checking Account under the name of the school with any LANDBANK Branch accessible and located near the school.
- 1.2 The School Head shall submit to the LANDBANK the following documents upon account opening:
  - a. Approval of the BTr to open a Checking Account with **LANDBANK**;
  - b. Appointment or Designation of School Head; and
  - c. Duly signed Authority to Debit/Credit Account to the BTr (**Annex A**) for the following accounts:
    - c.1 **Quarterly Net Interest Income** – to be transferred automatically by the **LANDBANK** to BTr every first banking day following the end of each quarter; and
    - c.2 **Balance of the Account as of December 31 of the year** – Authority to Debit/Credit Account (**Annex A**) of the outstanding balance (Net of Maintaining Balance and Outstanding Checks) shall be submitted by the School Head to the **LANDBANK** not later than December 20 of every year. However, the **LANDBANK** may accept the said Authority to Debit/Credit Account up to the last banking day of the year (12:00 PM), subject to **LANDBANK's** discretion. In the event that the said authorization is not submitted by the School Head on the prescribed deadline, the **LANDBANK** shall automatically transfer the amount, net of maintaining balance, to the BTr. Service Charges for returned or bounced checks, if any, shall be borne by the School Head.
- 1.3 SDOs/ROs shall deposit to the account maintained with LANDBANK the CA for School MOOE and Program Funds of non-IUs within the first week of every month/quarter, subject to availability of cash allocations as released by the DBM, through the Modified Direct Payment Scheme (MDPS) using the List of Due and Demandable Accounts Payable - Advice to Debit Accounts (LDDAP-ADA). In cases where MDPS is not applicable or practicable, issuance of MDS checks shall be allowed.
- 1.4 Upon re-assignment to other school/retirement/separation/suspension from the service of the School Head of non-IUs, the SDO shall immediately inform **LANDBANK** in writing of the transfer/retirement/separation/suspension and designate a new signatory to the account. The existing account number shall be maintained, and the unused checks shall be turned over to the new signatory.
- 1.5 Initiate the conduct of training, in coordination with **LANDBANK**, for School Heads, accountable officers, and other concerned personnel, on the guidelines and procedures and the required recording/reporting framework, to ensure smooth implementation of this Agreement.

JOSE LITO P. GUTIERREZ  
EVP, Branch Banking Sector

CECILIA C. BORROMEIO  
President and CEO

ANNALYN M. SEVILLA  
Undersecretary for Finance and  
Education Programs Delivery Unit

LEONOR MAGTOLIS BRIONES  
Secretary

- 1.6 Ensure that the account will not fall below the maintaining balance requirement to avoid bank charges.

## 2. LANDBANK:

- 2.1 Allow DepEd School Heads of non-IUs to open a Checking Account with any **LANDBANK** Branch accessible and located within their school assignment based on the criteria set under Procedural Guidelines to COA, DBM and DepEd JC No. 2019-1, subject to **LANDBANK's** existing policies and procedures.
- 2.2 Pursuant to the signed authority to be submitted by **DepEd** School Head under Section 1.2(c) hereof, transfer to the account of the BTr the following:
- Quarterly Net Interest Income** - every first banking day following the end of each quarter; and
  - Balance of the Account as of December 31 of the year** (Net of Maintaining Balance and Outstanding Checks) – every first banking day of the following year based on the Authority to Debit/Credit Account (Annex A) submitted by the School Head to the **LANDBANK**.
- 2.3 Provide Bank Statement to the School Head through registered mail on a monthly basis, and snapshot statements (bank statement) the following day after month-end upon request of the School Head. The Bank Statement can also be downloaded from the weAccess internet banking facility.
- 2.4 Provide DepEd SDO the summary of bank accounts opened and outstanding balances by the end of the year, copy furnished DepEd Central Office.
- 2.5 Assist DepEd in the conduct of training for School Heads, accountable officers, and other concerned personnel relative to the Bank's policies and procedures on account opening, to ensure smooth implementation of this Agreement.
- 2.6 Provide DepEd Central Office, through the Chief Accountant, Accounting Division, copies of bank statement as needed and upon request.

## SECTION III GENERAL PROVISIONS

- School Heads shall open a Checking Account with any LANDBANK Branch accessible and located near the school based on criteria set under the Procedural Guidelines to COA, DBM, DepEd JC No. 2019-1, subject to LANDBANK's existing policies and procedures.
- The concerned SDO shall secure approval from the BTr on the opening of account with LANDBANK and the appointment/designation of the School Head as the authorized signatory of the account.
- The account to be opened shall have the following features:

Account Features	Remarks
Initial Deposit	P500.00
Required minimum average daily balance	P500.00
Balance to earn interest	P30,000.00
With Passbook	None
With Bank Statement	Yes
Dormancy Fee	Waived
Automatic transfer to BTr of account balance in excess of the required maintaining balance and outstanding checks at the end of the year	DepEd to initiate the Fund Transfer
Automatic transfer to BTr of Net Interest Income earned every quarter	Yes
Over-the-Counter Withdrawal/ Encashment	Allowed
Interest	Prevailing Rate



JOSEPH O. P. GUTIERREZ  
EVP, Branch Banking Sector

CECILIA C. BORROMEO  
President and CEO

ANNALYN M. SEVILLA  
Undersecretary for Finance and  
Education Programs Delivery Unit

LEONOR MAGTOLIS BRIONES  
Secretary

Account Features	Remarks
Institutional Credits only	
Not subject to auto closure for zero (0) balance after 90 days	
With restrictions as to "No-over-the-counter" deposit	
No Fund Transfer as source/destination account	
Online, POS and Bills Payments transactions are allowed	

- Maintaining balance and transaction cost/bank fees and cost for checkbook shall be charged to the school's MOOE budget. The amount of P510.00 shall be charged for every check booklet requested subject to adjustment in case of changes on pricing.
- Pursuant to and on the basis of the signed authority submitted by **DepEd** School Head (**Annex A**) under Section 1.2(c) hereof, LANDBANK shall transfer to the account of the BTr the following:
  - Quarterly Net Interest Income**, which is scheduled on the first banking day after each quarter;
  - Balance (net of Maintaining and Outstanding checks) as of December 31 of the year**, every first banking day of the following year, as initiated by the School Head.
- The submission of the Authority to Debit/Credit Account (**Annex A**) to transfer the account balance (Net of Maintaining and Outstanding Checks) shall be on or before December 20 of every year. Non-submission of the Authority to Debit/Credit Account before the cut-off shall automatically subject the account to automatic sweeping, net of maintaining balance. However, the **LANDBANK** may accept the said Authority to Debit/Credit Account up to the last banking day of the year (12:00 PM), subject to **LANDBANK's** discretion.
- The CA for School MOOE and Program Funds of non-IUs shall be deposited by the SDOs/ROs through the MDPS using the LDDAP-ADA. The issuance of MDS checks shall be allowed, in cases where MDPS is not applicable or practicable.
- Only deposits from the **DepEd's** Operating Unit (SDOs/ROs) concerned and interest earned on such deposits shall be allowed to be credited to the bank account.
- The SDO shall inform **LANDBANK** in writing of the transfer/retirement/separation/suspension from service of the School Head and designate a new signatory to the account. The existing account number shall be maintained.
- The Checking Account shall be enrolled in weAccess internet banking facility.

**SECTION IV**  
**MISCELLANEOUS PROVISIONS**

- This Agreement shall be subject to the provisions enumerated in the COA-DBM-DepEd JC 2019-1, the Procedural Guidelines on JC 2019-1 and other guidelines that would be issued thereafter, the existing applicable laws, rules and regulations of the Republic of the Philippines, the Rules and Regulations of the Bangko Sentral ng Pilipinas (BSP), and the Monetary Board, and the Banker's Association of the Philippines (BAP), as well as those that may be promulgated thereafter.
- In accordance with R.A. 10173 (Data Privacy Act), the Parties shall ensure that appropriate organizational, physical, and technical measures are in place to maintain the confidentiality, integrity and security of all personal data that may come to their knowledge or possession by reason of any provision of this Agreement and that their employees, agents, representatives, or any person acting under their authority shall hold personal information under strict confidentiality at all times.
- The Parties agree to provide further assistance and execute such documents as may be necessary or reasonably desirable to accomplish the intents and purposes of this Agreement.

JOSE LITO P. GUTIERREZ  
EVP, Branch Banking Sector

CECILIA C. BORRAMEO  
President and CEO

ANNALYN M. SEVILLA  
Undersecretary for Finance and  
Education Programs Delivery Unit

LEONOR MAGTOLIS BRIONES  
Secretary

4. The Parties shall render each other free from any harm, damage or liability that may arise from or occasioned by **LANDBANK's** or **DepEd's** regular exercise of its respective rights/duties under this Agreement. The Parties shall not be liable if the non-fulfillment of the obligations is due to force majeure, fortuitous events, natural calamities, labor strikes, or other circumstances beyond their control.
5. Any change or modification in the terms and conditions of this Agreement shall be mutually agreed upon by **LANDBANK** and **DepEd** and shall be incorporated herein by way of an addendum/addenda signed by both Parties.
6. All other DepEd rules, regulations and issuances, which are inconsistent with these guidelines, are hereby repealed or modified accordingly.
7. This Agreement shall be subject to a yearly review by both Parties hereto for the purpose of determining necessary amendments or the continued effectivity thereof.
8. Should any provision of this Agreement be held void, invalid or unenforceable, such other provisions not affected thereby shall be enforced to the maximum extent permissible, and shall remain in full force and effect.
9. Neither Party may assign, in whole or in part, any right, obligation and/or benefit under this Agreement without the prior written consent of the other Party.
10. The Parties shall, as often as possible, mutually consult each other with respect to the performance of their respective obligations under this Agreement. The Parties shall exert their best efforts to properly resolve any differences or disagreements with respect to any dispute that may arise in connection with this Agreement. However, if such disagreement or differences persist despite efforts of the Parties to settle the same, it is mutually agreed upon that the dispute shall be resolved before the Office of the Solicitor General under the Rules on Alternative Dispute Resolution (ADR) for Disputes between National Government Agencies pursuant to Presidential Decree (P.D.) No. 242 in relation to Section 66-71, Chapter 2 of Executive Order (E.O) No. 292.
11. This Agreement shall be governed by and construed in accordance with Philippine laws. Venue of all actions arising from this Agreement shall be brought exclusively to the jurisdiction of the appropriate courts of Pasig City, Philippines. This Agreement may be executed in any number of counterparts and this shall have the same effect as if the signatures on the counterparts were on a single copy of this Agreement.
12. **No Gift Policy.** The Parties acknowledge that no fee or commission or benefit was extended to their respective officers and employees in consideration for entering into this Agreement.

## SECTION V EFFECTIVITY

This Agreement shall take effect on the date of signing hereof and shall remain in full force and effect for a period of one (1) year unless sooner revoked/terminated by either Party thirty (30) days after receipt by the other Party of the written notice of revocation or termination. After the expiration of the original period without it being sooner revoked, this Agreement shall be deemed renewed automatically from year to year under the same terms and conditions.

IN WITNESS WHEREOF, the Parties hereto set their hands on these presents this \_\_\_\_\_ of  
October 2019 at \_\_\_\_\_.

**DEPARTMENT OF EDUCATION**

By:



**LEONOR MAGTOLIS BRIONES**  
Secretary

**LAND BANK OF THE PHILIPPINES**

By:



**CECILIA C. BORROMEO**  
President and CEO



**SIGNED IN THE PRESENCE OF:**



**ANNALYN M. SEVILLA**  
Undersecretary for Finance  
and Education Programs Delivery Unit



**JOSEPHITO P. GUTIERREZ**  
Executive Vice President  
Branch Banking Sector



ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)  
City of Pasig )

OCT 28 2019

BEFORE ME, A Notary Public for and in the City of PASIG CITY, this day of October 2019, personally appeared the following:

Name Government Issued ID

LANDBANK  
Cecilia C. Borromeo LANDBANK ID No. 4943

known to me and to me known to be same person who executed the foregoing instrument and she acknowledged to me that the same is her free and voluntary act and deed as well as of the entity she represents.

This instrument consists of nine (9) pages, including this page whereon this Acknowledgement is written and herein Annex, and signed by the parties and witnesses on each and every page thereof.

OCT 28 2019 PASIG CITY

WITNESS MY HAND SEAL this day of October 2019, at

EDWIN G. BORDA  
NOTARY PUBLIC  
PASIG, PATEROS, & SAN JUAN  
UNTIL DEC. 31, 2020  
PTR NO. 5208337 1-03-19  
AP NO. 056091/APPT. NO. 54(2019-2020)  
ROLL NO. 26683  
TIN NO. 210-588-191-000  
MCLE V-0004493  
2ND FLOOR ARMAL BLDG. URBANO  
ELASCO AVE. MALINAO, PASIG CITY

Doc. No. 106  
Page No. 34  
Book No. 10  
Series of 2019.

ANNA LYN M. SEVILLA  
Undersecretary for Finance and  
Education Programs Delivery Unit

LEONOR MAGTOLIS BRIONES  
Secretary

# ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)  
City of PASIG )

PASIG CITY

OCT 28 2019

BEFORE ME, A Notary Public for and in the City of \_\_\_\_\_, this \_\_\_\_\_ day  
of October 2019, personally appeared the following:

Name

Government Issued ID

**DepEd**

Leonor Magtolis Briones

known to me and to me known to be same person who executed the foregoing instrument and  
she acknowledged to me that the same is her free and voluntary act and deed as well as of the  
entity she represents.

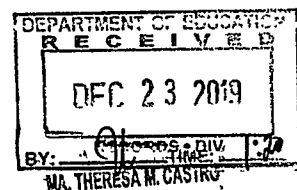
This instrument consists of nine (9) pages, including this page whereon this Acknowledgement  
is written and herein Annex, and signed by the parties and witnesses on each and every page  
thereof.

OCT 28 2019

WITNESS MY HAND SEAL this \_\_\_\_\_ day of October 2019, at **PASIG CITY**

Doc. No. 162  
Page No. 34  
Book No. 10  
Series of 2019.

EDWIN G. CENDRIA  
NOTARY PUBLIC  
PASIG, PATEROS, & SAN JUAN  
UNTIL DEC. 31, 2020  
PTR NO. 5208337 1-03-19  
MP NO. 056091/APPT. NO. 54 (2019-2020)  
ROLL NO. 22683  
TIN NO. 220-588-191-000  
MCLEV-0004493  
2<sup>ND</sup> FLOOR ARMAL BLDG. URBANO  
DELASCO AVE. MALINAQ, PASIG CITY



LANDBANK OF THE PHILIPPINES  
Authority to Debit/Credit Account

JOSE LITO P. GUTIERREZ  
EVP, Branch Banking Sector

Date : \_\_\_\_\_  
To : THE BRANCH HEAD  
\_\_\_\_\_ Branch  
Subject : AUTHORITY TO DEBIT/CREDIT ACCOUNT

This authorizes LANDBANK to:

1. Debit \_\_\_\_\_  
(Account Name)

☐ Checking Account Number \_\_\_\_\_

2. Credit the BTr Account Number \_\_\_\_\_, representing the following:

☐ Automatic transfer of Quarterly Net Interest Income

(To be filled up at the end of each reference year)

☐ Transfer of the Account balance **at the end of the year**  
(Net of maintaining balance and outstanding checks)

Amount in Figures: P \_\_\_\_\_  
Amount in Words: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Name and signature of Authorized Signatory

FOR BANK'S USE ONLY:

Signature verified by:	Checked by:	Approved by:	Sight Verified by:
------------------------	-------------	--------------	--------------------

Validation Print:

Unimel  
CECILIA C. BORROMEO  
President and CEO

Ave SR  
ANNALYN M. SEVILLA  
Undersecretary for Finance and  
Education Programs Delivery Unit

LEONOR MAGTOLIS BRIONES  
Secretary

RELEASED 32226

By: *[Signature]* Date: 23 DEC 2019

## MEMORANDUM OF AGREEMENT

### KNOW ALL MEN BY THESE PRESENTS:

This Memorandum of Agreement (the "Agreement") executed by and between:

The **DEVELOPMENT BANK OF THE PHILIPPINES**, a government financial institution duly created and operating pursuant to Executive Order No. 81 dated December 3, 1986, otherwise known as the 1986 Revised Charter of the Development Bank of the Philippines, as amended by Republic Act No. 8523 dated February 14, 1998, with principal office address at DBP Building, Sen. Gil Puyat Avenue corner Makati Avenue, Makati City, represented herein by Executive Vice President, **FE SUSAN Z. PRADO**, hereinafter referred to as "**DBP**",

- and -

**DEPARTMENT OF EDUCATION**, a government agency duly organized and existing under the laws of the Philippines, with principal office address at DepEd Complex, Meralco Avenue, Pasig City, represented herein by Secretary **LEONOR MAGTOLIS BRIONES**, hereinafter referred to as the "**DepEd**".

WITNESSETH: That -

**WHEREAS**, on January 01, 2004, the Department of Budget and Management (DBM) and the Department of Education (DepEd) issued Joint Circular (JC) No. 2004-1, Guidelines on the Direct Release of Funds to DepEd Regional Offices (ROs) and Implementing Units (IUs) which prescribes, among others, that the cash requirements of DepEd non IUs shall be released to the respective School Heads by the Schools of Division Offices (SDOs) through Cash Advance (CA). Under the existing set-up, CAs to the School Heads of non-IUs for School Maintenance and Other Operating Expenses (MOOE) and Program Funds are released by the SDOs and constitute a sizeable amount;

**WHEREAS**, on February 04, 2019, the Commission on Audit (COA), DBM and DepEd issued JC No. 2019-1 entitled, "Management of Cash Advances to DepEd Non-IUs for School Maintenance and Other Operating Expenses (MOOE) and Program Funds" under the Public Financial Management (PFM) Reform Program of the DBM, COA and the Bureau of Treasury (BTr);

**WHEREAS**, the DBM, in collaboration with the BTr and the COA, is implementing the PFM Reform Program to enable the government to streamline processes, promote stronger financial accountability, and fully execute the authorized annual appropriations to promote growth and reduce poverty;

**WHEREAS**, a key objective of the PFM Reform Program is to install better cash management in government which will allow the BTr to strengthen the monitoring and management of government funds maintained outside of the Treasury Single Account (TSA) and the Modified Disbursement Scheme (MDS);

**WHEREAS**, the DBP is an authorized depository bank of the Republic of the Philippines and considered a Government Servicing Bank (GSB). DBP commits to assist and support the DepEd in facilitating the implementation of JC No. 2019-1;

**WHEREAS**, the DepEd desires to avail of the DBP's bank services particularly in the opening of bank accounts by DepEd non-IUs where the CA for School MOOE and Program Funds of the school shall be deposited under the name of the said school; and the subsequent transfer to BTr of the corresponding interest income every quarter and cash balance per bank account every end of the year (net of the maintaining balance and funding for outstanding checks issued);

**NOW, THEREFORE**, for and in consideration of the foregoing premises, the Parties hereby mutually agree to implement the aforementioned Joint Circulars in accordance with the following terms and conditions:

**SECTION I  
COVERAGE**

This Agreement shall cover all **DepEd's** non-IUs nationwide namely, Elementary Schools, Junior High Schools and Senior High Schools operating without a complete set of Books of Accounts.

**SECTION II  
RESPONSIBILITIES OF THE PARTIES**

The Parties herein undertake the following Duties and Responsibilities:


**1. DepEd:**

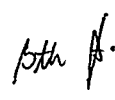
- 1.1 The School Head of non-IUs, through the Schools Divisions Superintendent, shall secure the approval of the BTr to open a Checking Account under the name of the school with any **DBP** Branch accessible and located near the school.
- 1.2 The School Head shall submit to the **DBP** the following documents upon account opening:
  - a. Approval of the BTr to open a Checking Account with **DBP**;
  - b. Appointment or Designation of School Head; and
  - c. Duly signed Authority to Debit/Credit Account to the BTr (**Annex A**) for the following accounts:
    - c.1 **Quarterly Net Interest Income** – to be transferred automatically by the **DBP** to BTr every first banking day following the end of each quarter; and
    - c.2 **Balance of the Account as of December 31 of the year** - Authority to Debit/Credit Account (Annex A) of the outstanding balance (Net of Maintaining Balance and Outstanding Checks) shall be submitted by the School Head to the **DBP** not later than December 20 of every year. However, the **DBP** may accept the said Authority to Debit/Credit Account up to the last banking day of the year (12:00 PM), subject to **DBP's** discretion. In the event that the said authorization is not submitted by the School Head on the prescribed deadline, the **DBP** shall automatically transfer the amount, net of maintaining balance, to the BTr. Service Charges for returned or bounced checks, if any, shall be borne by the School Head.
- 1.3 SDOs/ROs shall deposit to the account maintained with **DBP** the CA for School MOOE and Program Funds of non-IUs within the first week of every month/quarter, subject to availability of cash allocations as released by the DBM, through the Modified Direct Payment Scheme (MDPS) using the List of Due and Demandable Accounts Payables - Advice to Debit Account (LDDAP-ADA). In cases where MDPS is not applicable or practicable, issuance of MDS checks shall be allowed.
- 1.4 The School Head shall enroll the school's account/s with **DBP's** electronic SOA (eSOA) Facility wherein the SOA will be automatically sent on a monthly basis through registered e-mail, within five (5) banking days after the end of the month.
- 1.5 Upon re-assignment to other school/retirement/separation/suspension from the service of the School Head of non-IUs, the SDO shall immediately inform **DBP** in writing of the transfer/retirement/separation/suspension and designate a new signatory to the account. **The existing account number shall be maintained, and the unused checks shall be turned over to the new signatory.**

  
GEORGE S. INOCENCIO  
First Vice President

  
FE SUSAN M. PRADO  
Executive Vice President

  
ANNALYN M. BEVILLA  
Undersecretary for Finance and  
Education Programs Delivery Unit

  
LEONOR MAGTOLIS BRIONES  
Secretary



- 1.6 Initiate the conduct of training, in coordination with **DBP**, for School Heads, accountable officers, and other concerned personnel on the guidelines and procedures and the required recording/reporting framework, to ensure smooth implementation of this Agreement.
- 1.7 Ensure that the account will not fall below the maintaining balance requirement to avoid bank charges.

## 2. DBP:

- 2.1 Allow **DepEd** School Heads of non-IUs to open a Checking Account with any **DBP** Branch accessible and located within their school assignment based on criteria set under the Procedural Guidelines to COA, DBM and DepEd JC No. 2019-1, subject to **DBP's** existing policies and procedures.
- 2.2 Pursuant to the signed authority to be submitted by **DepEd** School Head under Section 1.2(c) hereof, transfer to the account of the BTr the following:
  - a. **Quarterly Net Interest Income** - every first banking day following the end of each quarter; and
  - b. **Balance of the Account as of December 31 of the year** (Net of Maintaining Balance and Funding for Outstanding Checks) – every first banking day of the following year based on the Authority to Debit/Credit Account (Annex A) submitted by the School Head to the **DBP**.
- 2.3 Require the School Head to enroll to **DBP's** eSOA Facility wherein the SOA will be automatically sent to him/her on a monthly basis through registered e-mail, within five (5) banking days after the end of the month.
- 2.4 Provide Statement of Account (SOA) to the School Head and SDO through registered mail on a monthly basis, and upon request. The School Head may also view on-line and print anytime the school's Transaction History through the **DBP's** Digital Banking Portal.
- 2.5 Provide **DepEd** SDO the summary of bank accounts opened and outstanding balances by the end of the year or upon request, copy furnished DepEd Central Office.
- 2.6 Assist **DepEd** in the conduct of training for School Heads, accountable officers, and other concerned personnel relative to the Bank's policies and procedures on account opening, to ensure smooth implementation of this Agreement.
- 2.7 Provide **DepEd** Central Office, through the Chief Accountant, Accounting Division, copies of bank statement as needed and upon request.

## SECTION III GENERAL PROVISIONS

1. School Heads shall open a Checking Account with any **DBP** Branch accessible and located near the school, based on criteria set under the Procedural Guidelines to COA, DBM and DepEd JC No. 2019-1, subject to **DBP's** existing policies and procedures.
2. The concerned SDO shall secure approval from the BTr on the opening of account with **DBP** and the appointment/designation of the School Head as the authorized signatory of the account.
3. The Checking Account to be opened shall have the following features:

Account Features	Remarks
Initial Deposit	P500.00
Required minimum average daily balance	P500.00

GEORGE S. INOCENCIO  
First Vice President

FE SUBAN, PRADO  
Executive Vice President

MINALYN M. SEVILLA  
Undersecretary for Finance and  
Education Programs Delivery Unit

LEONOR MAGTOLIS BRIONES  
Secretary

*Buta*



  
GEORGE S. INOCENCIO  
First Vice President

  
FE SUSAN P. PRADO  
Executive Vice President

  
ANNALYN M. SEVILLA  
Undersecretary for Finance and  
Education Programs Delivery Unit


  
LEONOR MAGTOLIS BRIONES  
Secretary


Account Features	Remarks
Balance to earn interest	P25,000.00
With Passbook	Yes
Automatic transfer to BTr of account balance, in excess of the required maintaining balance and funding for outstanding checks issued, at the end of the year	DepEd (School Head) to initiate the Fund Transfer
Automatic transfer to BTr of Net Interest Income Balance at the end of the year	Yes
Over-the Counter Withdrawal/ Encashment	Allowed
Interest	Prevailing Rate
Institutional Credits only	
Not subject to auto closure for zero (0) balance after 90 days	
With restrictions as to "No over-the-counter" deposit	
No Fund Transfer as source/destination account	
Online, POS and Bills Payments transactions are allowed	


4. Maintaining balance and transaction cost/bank fees and cost for checkbook shall be charged to the school's MOOE budget. The amount of P510.00 shall be charged for every checkbook requested subject to adjustment in case of changes on pricing.
5. Payment for the cost of initial Passbook issued to each account holder shall be waived. However, all costs of passbook replacements shall be on the DepEd School Head's personal account.
6. Pursuant to and on the basis of the signed authority submitted by DepEd School Head under Section 1.2(c) hereof, DBP shall transfer to the account of the BTr the following:
- 6.1 **Quarterly Net Interest Income**, which is scheduled every first banking day after each quarter; and
- 6.2 **Balance (Net of Maintaining and Funding for Outstanding Checks) as of December 31 of the year**, every first banking day of the following year (Annex A), as initiated by the School Head.
7. The submission of the Authority to Debit/Credit Account (Annex A) to transfer the account balance (Net of Maintaining and Outstanding Checks) shall be on or before December 20 of every year. Non-submission of the Authority to Debit/Credit Account before the cut-off shall automatically subject the account to automatic sweeping, net of maintaining balance. However, the DBP may accept the said Authority to Debit/Credit Account up to the last banking day of the year (12:00 PM), subject to DBP's discretion.
8. The CA for School MOOE and Program Funds of non-IU schools shall be deposited by the SDOs/ROs through the MDPS using the LDDAP-ADA. The issuance of MDS checks shall be allowed, in cases where MDPS is not applicable or practicable.
9. Only deposits from the DepEd's Operating Unit (SDOs/ROs) concerned and interest earned on such deposits shall be allowed to be credited to the bank account.
10. The SDO shall inform DBP in writing of the transfer/retirement/ separation/suspension from service of the School Head and designate a new signatory to the account. **The existing account number shall be maintained.**
11. The Checking Account shall be enrolled in the Digital Banking Portal provided that the School Head submits the documentary requirements for the enrollment in the facility

**SECTION IV  
MISCELLANEOUS PROVISIONS**

1. This Agreement shall be subject to the provisions enumerated in the COA-DBM-DepEd JC 2019-1, the Procedural Guidelines on JC 2019-1 and other guidelines that would be issued thereafter, the existing applicable laws, rules and regulations of the Republic of the Philippines, the Rules and Regulations of the Bangko Sentral ng Pilipinas (BSP), and the Monetary Board, and the Banker's Association of the Philippines (BAP), as well as those that may be promulgated thereafter.
2. In accordance with R.A. 10173 (Data Privacy Act), the Parties shall ensure that appropriate organizational, physical, and technical measures are in place to maintain the confidentiality, integrity and security of all personal data that may come to their knowledge or possession by reason of any provision of this Agreement and that their employees, agents, representatives, or any person acting under their authority shall hold personal information under strict confidentiality at all times.
3. The Parties agree to provide further assistance and execute such documents as may be necessary or reasonably desirable to accomplish the intents and purposes of this Agreement.
4. The Parties shall render each other free from any harm, damage or liability that may arise from or occasioned by **DBP's** or **DepEd's** regular exercise of its respective rights/duties under this Agreement. The Parties shall not be liable if the non-fulfillment of the obligations is due to force majeure, fortuitous events, natural calamities, labor strikes, or other circumstances beyond their control.
5. Any change or modification in the terms and conditions of this Agreement shall be mutually agreed upon by **DBP** and **DepEd** and shall be incorporated herein by way of an addendum/addenda signed by both Parties.
6. All other DepEd rules, regulations and issuances, which are inconsistent with these guidelines are hereby repealed or modified accordingly.
7. This Agreement shall be subject to a yearly review by both Parties hereto for the purpose of determining necessary amendments or the continued affectivity thereof.
8. Should any provision of this Agreement be held void, invalid or unenforceable, such other provisions not affected thereby shall be enforced to the maximum extent permissible, and shall remain in full force and effect.
9. Neither Party may assign, in whole or in part, any right, obligation and/or benefit under this Agreement without the prior written consent of the other Party.
10. The Parties shall, as often as possible, mutually consult each other with respect to the performance of their respective obligations under this Agreement. The Parties shall exert their best efforts to properly resolve any differences or disagreements with respect to any dispute that may arise in connection with this Agreement. However, if such disagreement or differences persist despite efforts of the Parties to settle the same, it is mutually agreed upon that the dispute shall be resolved before the Office of the Solicitor General under the Rules on Alternative Dispute Resolution (ADR) for Disputes between National Government Agencies pursuant to Presidential Decree (P.D.) No. 242 in relation to Section 66-71, Chapter 2 of Executive Order (E.O) No. 292.
11. This Agreement shall be governed by and construed in accordance with Philippine laws. Venue of all actions arising from this Agreement shall be brought exclusively to the jurisdiction of the appropriate courts of Pasig City, Philippines. This Agreement may be executed in any number of counterparts and this shall have the same effect as if the signatures on the counterparts were on a single copy of this Agreement.

  
GEORGE S. INOCENCIO  
First Vice President

  
FE SUSAN PRADO  
Executive Vice President

  
ANNALYN M. SEVILLA  
Undersecretary for Finance and  
Education Programs Delivery Unit

  
LEONOR MAGTULIS BRIONES  
Secretary

12. **No Gift Policy.** The Parties acknowledge that no fee or commission or benefit was extended to their respective officers and employees in consideration for entering into this Agreement.

**SECTION V  
EFFECTIVITY**

This Agreement shall take effect upon signing thereof and shall remain in full force and take effect for a period of one (1) year unless sooner revoked/terminated by either Party thirty (30) days after receipt by the other Party of the written notice of revocation or termination. After the expiration of the original period without it being sooner revoked, this Agreement shall be deemed renewed automatically from year to year under the same terms and conditions.

IN WITNESS WHEREOF, the Parties hereto set their hands on these presents this \_\_\_\_\_ of \_\_\_\_\_ 2019 at \_\_\_\_\_.

**DEPARTMENT OF EDUCATION**

By:



**LEONOR MAGTOLIS BRIONES**  
Secretary

**DEVELOPMENT BANK OF THE PHILIPPINES**

By:



**FE SUSAN Z. PRADO**  
Executive Vice President

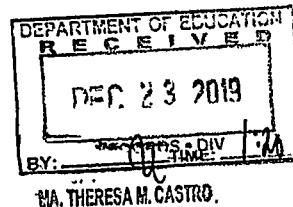
**SIGNED IN THE PRESENCE OF:**



**ANNALYN M. SEVILLA**  
Undersecretary for Finance  
and Education Programs Delivery Unit




**GEORGE S. INOCENCIO**  
First Vice President



ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)  
City of Makati)

BEFORE ME, A Notary Public for and in the City of \_\_\_\_\_, this \_\_\_\_\_ day of  
October 2019, personally appeared the following:

  
GEORGE S. INOCENCIO  
First Vice President

Name

Government Issued ID

DBP  
Fe Susan Z. Prado

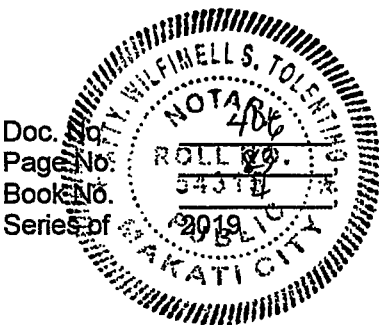
Passport No. P1435460B

known to me and to me known to be same person who executed the foregoing instrument and  
she acknowledged to me that the same is her free and voluntary act and deed as well as of the  
entity she represents.

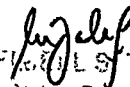
  
FE SUSAN Z. PRADO  
Executive Vice President

This instrument consists of nine (9) pages, including this page whereon this Acknowledgement is  
written and herein Annex, and signed by the parties and witnesses on each and every page  
thereof.

WITNESS MY HAND SEAL OCT 16 2019 of October 2019, at \_\_\_\_\_



Doc. No. \_\_\_\_\_  
Page No. \_\_\_\_\_  
Book No. \_\_\_\_\_  
Series of \_\_\_\_\_

  
WILFREDO S. TOLENTINO  
Notary Public  
Commission No. m 201  
Exp. City, Until December 31, 2020  
JPM Bldg., San. Gil Puyal Ave., Makati  
Tel. 733-15, IP# No. 06 45 15  
E-mail: wtolentino@notary.com.ph

  
ANNALYN M. BEVILLA  
Undersecretary of Finance and  
Education Programs Delivery Unit


  
LEONORA MAGTOLIS BRIONES  
Secretary



ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)  
City of PASIG)

BEFORE ME, A Notary Public for and in the City of QUEZON CITY, this OCT 22 2019 day of October 2019, personally appeared the following:

  
GEORGE S. INOCENCIO  
First Vice President

Name

Government Issued ID

**DepEd**  
Leonor Magtolis Briones


known to me and to me known to be same person who executed the foregoing instrument and she acknowledged to me that the same is her free and voluntary act and deed as well as of the entity she represents.

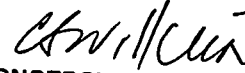
This instrument consists of nine (9) pages, including this page whereon this Acknowledgement is written and herein Annex, and signed by the parties and witnesses on each and every page thereof.

  
FE SUSANA Z. PRADO  
Executive Vice President

WITNESS MY HAND SEAL this OCT 22 2019 day of October 2019 at QUEZON CITY.

Doc. No. 318;  
Page No. 68;  
Book No. 59;  
Series of 2019.

  
ANNALYN M. SEVILLA  
Undersecretary for Finance and  
Education Programs Delivery Unit

  
ATTY. CONCEPCION P. VILLAREÑA  
Notary Public for Quezon City  
Until December 31, 2019  
PTR No 7323642 – 1-03-2019/ QC  
IBP No. AR14460591 – 12-17-2018/ QC  
Roll No. 30457 – 05-09-80  
MCLE 5-0012536 – 12-21-2015  
Adm. Matter No NP 270 (2018-2019)

  
LEONOR MAGTOLIS BRIONES  
Secretary



DEVELOPMENT BANK OF THE PHILIPPINES  
Authority to Debit/Credit Account

Date : \_\_\_\_\_

To : THE BRANCH HEAD  
\_\_\_\_\_ Branch

Subject : AUTHORITY TO DEBIT/CREDIT ACCOUNT

This authorizes DBP to:

1. Debit \_\_\_\_\_  
(Account Name)

☐ Checking Account Number \_\_\_\_\_

2. Credit the BTr Account Number \_\_\_\_\_, representing the following:

- ☐ Automatic transfer of Quarterly Net Interest Income
- ☐ Automatic transfer of the Account balance every end of the year  
(Net of Maintaining Balance)

(To be filled up at the end of each reference year)

☐ Transfer of the Account balance at the end of the year  
(Net of maintaining balance and outstanding checks)

Amount in Figures: P \_\_\_\_\_

Amount in Words: \_\_\_\_\_

\_\_\_\_\_  
Name and signature of Authorized Signatory

FOR BANK'S USE ONLY:

Signature verified by:	Checked by:	Approved by:	Sight Verified by:
------------------------	-------------	--------------	--------------------

Validation Print:

GEORGE S. INOCENCIO  
First Vice President

FE SUSAN Z. PRADO  
Executive Vice President

ANNA LYN M. SEVILLA  
Undersecretary for Finance and  
Education Programs Delivery Unit

LEONOR MAGTOLIS BRIONES  
Secretary

\_\_\_\_\_



RELEASED  
32227  
26 DEC 2019

## MEMORANDUM OF AGREEMENT

By: \_\_\_\_\_ Date: \_\_\_\_\_

Product Development Department

### KNOW ALL MEN BY THESE PRESENTS:

This Memorandum of Agreement (the "Agreement") executed by and between:

**PHILIPPINE VETERANS BANK**, a private commercial banking corporation and authorized government depository bank (AGDB) duly organized and existing under and by virtue of Philippine laws, with principal office address at the PVB Building, 101 V. A. Rufino corner Dela Rosa Streets, Legaspi Village, Makati City, represented herein by its President and Chief Operating Officer, **RENATO A. CLARAVALL** and Branch Banking Group Head, **FVP MA. VISITACION V. GAJITOS**, and hereinafter referred to as the "**PVB**";

- and -

**DEPARTMENT OF EDUCATION**, a government agency duly organized and existing under the laws of the Philippines, with principal office address at DepEd Complex, Meralco Avenue, Pasig City, represented herein by its Secretary, **LEONOR MAGTOLIS BRIONES**, hereinafter referred to as the "**DepEd**".

WITNESSETH: That -

**WHEREAS**, on January 01, 2004, the Department of Budget and Management (DBM) and the Department of Education (DepEd) issued Joint Circular (JC) No. 2004-1, Guidelines on the Direct Release of Funds to DepEd Regional Offices (ROs) and Implementing Units (IUs) which prescribes, among others, that the cash requirements of DepEd non-IUs shall be released to the respective School Heads by the Schools of Division Offices (SDOs) through Cash Advance (CA). Under the existing set-up, CAs to the School Heads of non-IUs for School MOOE and Program Funds are released by the SDOs and constitute a sizeable amount;

**WHEREAS**, on February 04, 2019, the Commission on Audit (COA), DBM and DepEd issued JC No. 2019-1 entitled, "Management of Cash Advances to DepEd Non-IUs for School Maintenance and Other Operating Expenses (MOOE) and Program Funds" under the Public Financial Management (PFM) Reform Program of the DBM, COA and the Bureau of Treasury (BTr);

**WHEREAS**, the DBM, in collaboration with the BTr and the COA, is implementing the PFM Reform Program to enable the government to streamline processes, promote stronger financial accountability, and fully execute the authorized annual appropriations to promote growth and reduce poverty;

**WHEREAS**, a key objective of the PFM Reform Program is to install better cash management in government which will allow the BTr to strengthen the monitoring and management of government funds maintained outside of the Treasury Single Account (TSA) and the Modified Disbursement Scheme (MDS);

**WHEREAS**, the **PVB** is an authorized depository bank and considered a Government Servicing Bank (GSB). **PVB** commits to assist and support the **DepEd** in facilitating the implementation of JC No. 2019-1;

**WHEREAS**, the **DepEd** desires to avail of the **PVB's** bank services particularly in the opening of bank accounts by **DepEd** non-IUs where the CA for the School MOOE and Program Funds shall be deposited under the name of the said school; and the subsequent transfer to BTr of the corresponding interest income every quarter and cash balance per bank account every end of the year (net of the maintaining balance and funding for outstanding checks issued, if any);

**NOW, THEREFORE**, for and in consideration of the foregoing premises, the Parties hereby mutually agree to implement the aforementioned Joint Circulars in accordance with the following terms and conditions:

## SECTION I COVERAGE

This Agreement shall cover all DepEd's non-IUs nationwide namely, Elementary Schools, Junior High Schools and Senior High Schools operating without a complete set of Books of Accounts.

## SECTION II RESPONSIBILITIES OF THE PARTIES

The Parties herein undertake the following Duties and Responsibilities:


### 1. DepEd:

- 1.1 The School Head of non-IUs, through the Schools Divisions Superintendent, shall secure the approval of the BTr to open an account under the name of the school with any PVB Branch accessible and located near the school.
- 1.2 Aside from PVB's required account opening documents, the School Head shall submit to the PVB the following documents upon account opening:
  - a. Approval of the BTr to open an account with **PVB** (Checking Account);
  - b. Appointment/Designation of School Head; and
  - c. Duly signed Authority to Debit/Credit Account to the BTr (**Annex A**) for the following items:
    - c.1 **Quarterly Net Interest Income** – to be transferred automatically by the **PVB** to BTr every first banking day following the end of each quarter; and
    - c.2 **Balance of the Account as of December 31 of the year** – Completely filled-up Authority to Debit/Credit Account (Annex A) of the outstanding balance (Net of Maintaining Balance and Outstanding Checks) shall be submitted by the School Head to the **PVB** not later than December 20 of every year (Net of Maintaining Balance and Outstanding Checks). However, the **PVB** may accept the said Authority to Debit/Credit Account up to the last banking day of the year (12:00 PM), subject to **PVB's** discretion. In the event that the said authorization is not submitted by the School Head on the prescribed deadline, **PVB**, without liability as to the consequences of the transfer, shall automatically transfer the amount, net of maintaining balance, to the BTr. Service Charges for returned or bounced checks shall be imposed.


Without incurring liability, **PVB** shall still be authorized to debit the account of the DepEd non-IUs for the Quarterly Net Interest Income and Balance of the Account as of December 31 for remittance to BTr's account even if the School Head fails to submit the Authority to Debit/Credit Account (Annex A).

- 1.3 SDOs/ROs shall deposit to the account maintained with **PVB** the CA for School MOOE and Program Funds of non-IUs within the first week of every month/quarter, subject to availability of cash allocations as released by the DBM, through the Modified Direct Payment Scheme (MDPS) using the List of Due and Demandable Accounts Payable-Advice to Debit Accounts (LDDAP-ADA). In cases where MDPS is not applicable or practicable, issuance of MDS checks shall be allowed.
- 1.4 Upon re-assignment to other school/retirement/separation/suspension from the service of the School Head of non-IUs, the SDO shall immediately inform **PVB** in writing of the transfer/retirement/separation/suspension and designate a new signatory to the account. **The existing account number shall be maintained, and the unused checks shall be turned over to the new signatory.**

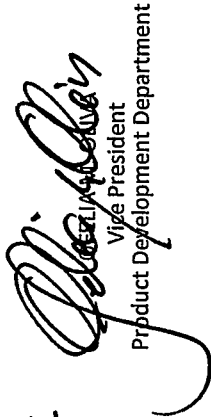
PVB shall not be liable for accepting checks issued by the transferred, retired, separated, or suspended school head unless it has been notified in writing of such transfer, retirement, separation, or suspension.

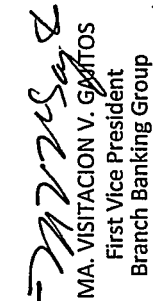
  
OFELIA M. OLIVA  
Vice President  
Product Development Department

  
RENATO A. CLARAVALL  
President and COO  
First Vice President  
Branch Banking Group

  
ANNALYN M. SEVILLA  
Undersecretary for Finance and  
Education Programs Delivery Unit

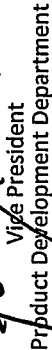
  
LEONOR MAGTOLIS BRIONES  
Secretary

  
RENATO A. CLARAVALL  
President and COO

  
MA. VISITACION V. GARCIA  
First Vice President  
Branch Banking Group

  
ANNALYN M. SEVILLA  
Undersecretary for Finance and  
Education Programs Delivery Unit

  
LEONOR MAGTOLIS BRIONES  
Secretary

  
Vice President  
Product Development Department

- 1.5 Initiate the conduct of training, in coordination with **PVB**, for School Heads, accountable officers, and other concerned personnel, on the guidelines and procedures and the required recording/reporting framework, to ensure smooth implementation of this Agreement.
- 1.6 Ensure that the account will not fall below the maintaining balance requirement to avoid bank charges.

2. **PVB**

- 2.1 Allow DepEd School Heads of non-IUs to open a Checking Account with any **PVB** Branch accessible and located within their school assignment based on requirements specified in Sec. 1.2 above and **PVB**'s existing policies and procedures.
- 2.2 Pursuant to the signed authority to be submitted by **DepEd** School Head under Section 1.2(c) hereof, transfer to the account of the BTr the following:
  - a. **Quarterly Net Interest Income** – every first banking day following the end of each quarter; and
  - b. **Balance of the Account as of December 31 of the year** (Net of Maintaining Balance and Funding for Outstanding Checks) – every first banking day of the following year based on the Authority to Debit/Credit Account (Annex A) submitted by the School Head to the **PVB**.

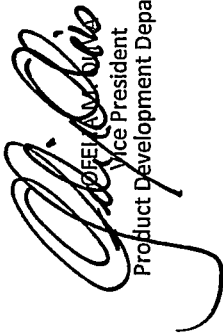
If no report on utilization of fund is submitted by the School Head on or before December 20 of each year, **PVB** shall rely on Sec. 1.2 above.

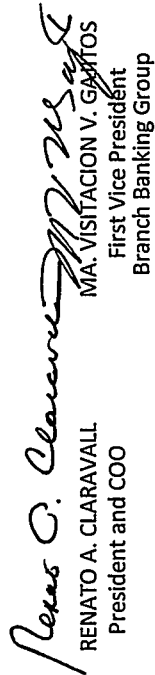
- 2.3 Provide Bank Statement to the School Head and SDO through registered mail on a monthly basis, within three (3) banking days after the month-end, and upon request, the school's monthly Statement of Account and/or Transaction History.
- 2.4 Provide DepEd SDO the summary of bank accounts opened and outstanding balances by the end of the year, copy furnished DepEd Central Office.
- 2.5 Assist DepEd in the conduct of training for School Heads, accountable officers, and others concerned personnel relative to the Bank's policies and procedures on account opening, to ensure smooth implementation of this Agreement.
- 2.6 Provide DepEd Central Office, through the Chief Accountant, Accounting Division, and the SDO, through its Accounting Unit, copies of bank statements as needed.


**SECTION III  
GENERAL PROVISIONS**

- 1. School Heads shall open a Checking Account with any **PVB** Branch accessible and located near the school, based on criteria set under the Procedural Guidelines to COA, DBM and DepEd JC No. 2019-1, subject to **PVB**'s existing policies and procedures.
- 2. The concerned SDO shall secure approval from the BTr on the opening of account with **PVB** and the appointment/designation of the School Head as the authorized signatory of the account.
- 3. The account to be opened shall have the following features:

Account Features	Remarks
Initial Deposit	P500.00
Required minimum average daily balance	P500.00

  
ROFEL A. GATTOS  
Vice President  
Product Development Department

  
RENATO A. CLARAVALL  
President and COO  
First Vice President  
Branch Banking Group

  
ANNALYN M. SEVILLA  
Undersecretary for Finance and  
Education Programs Delivery Unit

  
LEONOR MAGTOLIS BRIONES  
Secretary

Account Features	Remarks	
Balance to earn interest	P20,000.00	
With Passbook	None	
Bank Statement	Yes	
Dormancy Fee	Waived	
Transfer to BTr of account balance, in excess of the required maintaining balance and funding for outstanding checks issued, at the end of the year	DepEd to initiate the Fund Transfer	
Transfer to BTr of net interest income earned every quarter	Yes	
Over-the Counter Withdrawal/Encashment	Allowed	
Institutional Credits only		
Not subject to auto closure for zero (0) balance after 90 days		
With restrictions as to "No-over-the-counter" deposit		
No Fund Transfer as source/destination account		
Online, POS and Bills Payments transactions are allowed		

4. Maintaining balance and transaction cost/bank fees and cost for checkbook shall be charged to the school's MOOE budget. The amount of PHP 500.00 shall be charged for every checkbook requested, subject to adjustment in case of changes on pricing.
5. Pursuant to and on the basis of the signed authority submitted by **DepEd** School Head under Section 1.2(c) hereof, **PVB** shall transfer to the account of the BTr the following:
  - 5.1 **Quarterly Net Interest Income**, which is scheduled very first banking day after each quarter;
  - 5.2 **Balance (net of Maintaining and Funding for Outstanding checks) as of December 31 of the year**, every first banking day of the following year (**Annex A**), as initiated by the School Head.
6. The submission of the Authority to Debit/Credit Account (**Annex A**) to transfer the account balance (Net of Maintaining and Outstanding Checks) shall be on or before December 20 of every year. Non-submission of the Authority to Debit/Credit Account before the cut-off shall automatically authorize **PVB** to remit to the BTr the remaining balance of the account, net of maintaining balance. However, the **PVB** may accept the said Authority to Debit/Credit Account up to the last banking day of the year (12:00 PM), subject to **PVB's** discretion.
7. The CA for School MOOE and Program Funds of non-IUs shall be deposited by the SDOs/ROs through the MDPS using the LDDAP-ADA. The issuance of MDS checks shall be allowed, in cases where MDPS is not applicable or practicable.
8. Only deposits from the DepEd's Operating Unit (SDOs/ROs) concerned and interest earned on such deposits shall be allowed to be credited to the bank account.
9. The SDO shall inform **PVB** in writing of the transfer/retirement/separation/suspension from service of the School Head and designate a new signatory to the account. **The existing account number shall be maintained.**
10. **PVB** shall not be responsible for determining the propriety of the disbursements of the funds in the account. Except for the obligations provided herein, the account opened by the School head shall be treated as regular accounts.

#### SECTION IV MISCELLANEOUS PROVISIONS

1. **DepEd** shall be responsible in ensuring that the provisions of this Agreement shall be consistent with the provisions enumerated in the COA-DBM-DepEd JC 2019-1, the

Procedural Guidelines on JC 2019-1 and other guidelines that would be issued thereafter by DepEd. Except as to the foregoing circular or succeeding issuances, both parties shall ensure that Agreement complies with the existing applicable laws, rules and regulations of the Republic of the Philippines, the Rules and Regulations of the Bangko Sentral ng Pilipinas (BSP), and the Monetary Board, and the Banker's Association of the Philippines (BAP), as well as those that may be promulgated thereafter.

2. In accordance with R.A. 10173 (Data Privacy Act), the Parties shall ensure that appropriate organizational, physical, and technical measures are in place to maintain the confidentiality, integrity and security of all personal data that may come to their knowledge or possession by reason of any provision of this Agreement and that their employees, agents, representatives, or any person acting under their authority shall hold personal information under strict confidentiality at all times.

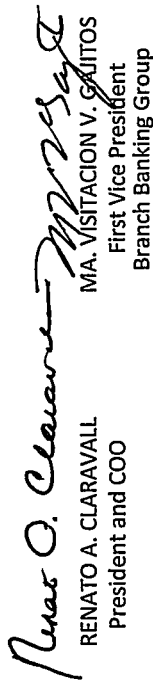
This provision shall not restrict the disclosure of personal data to third parties if the disclosure is necessary to implement this Agreement, operate the account or process the transactions contemplated under this Agreement.

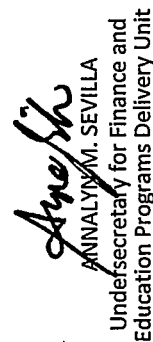
3. The Parties agree to provide further assistance and execute such documents as may be necessary or reasonably desirable to accomplish the intents and purposes of this Agreement.
4. The Parties shall render each other free from any harm, damage or liability that may arise from or occasioned by **PVB's** or **DepEd's** regular exercise of its respective rights/duties under this Agreement. The Parties shall not be liable if the non-fulfillment of the obligations is due to force majeure, fortuitous events, natural calamities, labor strikes, or other circumstances beyond their control.
5. Any change or modification in the terms and conditions of this Agreement shall be mutually agreed upon by **PVB** and **DepEd** and shall be incorporated herein by way of an addendum/addenda signed by both Parties.
6. All other **DepEd** rules, regulations and issuances, which are inconsistent with these guidelines are hereby repealed or modified accordingly.
7. This Agreement shall be subject to a yearly review by both Parties hereto for the purpose of determining necessary amendments or the continued affectivity thereof.
8. Should any provision of this Agreement be held void, invalid or unenforceable, such other provisions not affected thereby shall be enforced to the maximum extent permissible, and shall remain in full force and effect.
9. Neither Party may assign, in whole or in part, any right, obligation and/or benefit under this Agreement without the prior written consent of the other Party.
10. Parties shall make every effort to resolve amicably and by mutual consultation any and all disputes or differences arising between the parties in connection with the implementation of the Agreement.

Should such dispute not be resolved amicably, it shall be submitted to arbitration, with the Philippines as the seat of arbitration according to the provisions of R.A. 876, otherwise known as the "Arbitration Law" and R.A. 9285, otherwise known as the "Alternative Dispute Resolution Act of 2004." Provided, however, that by mutual agreement, the parties may agree in writing to resort to other alternative modes of dispute resolution.

11. This Agreement shall be governed by and construed in accordance with Philippine laws. Venue of all actions arising from this Agreement shall be brought exclusively to the jurisdiction of the appropriate courts of Pasig City, Philippines.
12. This Agreement may be executed in any number of counterparts and this shall have the same effect as if the signatures on the counterparts were on a single copy of this Agreement.

  
Vice President  
Product Development Department

  
First Vice President  
Branch Banking Group  
MA. VISITACION V. GAITOS

  
President and COO  
RENATO A. CLARAVALL

  
Undersecretary for Finance and Education Programs Delivery Unit  
ANIMALYN M. SEVILLA

  
Secretary  
LEONOR MAGTOLIS BRIONES

13. **No Gift Policy.** The Parties acknowledge that no fee or commission or benefit was extended to their respective officers and employees in consideration for entering into this Agreement.

**SECTION V  
EFFECTIVITY**

This Agreement shall take effect upon signing hereof and shall remain in full force and take effect for a period of one (1) year unless sooner revoked/terminated by either Party thirty (30) days after receipt by the other Party of the written notice of revocation or termination. After the expiration of the original period without it being sooner revoked, this Agreement shall be deemed renewed automatically from year to year under the same terms and conditions.

IN WITNESS WHEREOF, the Parties hereto set their hands on these presents this \_\_\_\_\_ of October 2019 at \_\_\_\_\_.

**DEPARTMENT OF EDUCATION**

**PHILIPINE VETERANS BANK**

By:


By:

  
**LEONOR MAGTOLIS BRIONES**  
Secretary

  
**RENATO A. CLARAVALL**  
President & COO

  
**MA. VISITACION V. GAJITOS**  
First Vice President  
Head, Branch Banking Group

**SIGNED IN THE PRESENCE OF:**

  
**ANNALYN M. SEVILLA**  
Undersecretary for Finance  
and Education Programs Delivery Unit

  
**OFELIA M. OLIVA**  
Vice President  
Product Development Department



# ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)  
City of PASIG)

BEFORE ME, A Notary Public for and in the City of QUEZON CITY, this NOV 21 2019 day  
of \_\_\_\_\_ 2019, personally appeared the following:

Name

Government Issued ID

**PHILIPPINE VETERANS BANK**

Renato A. Claravall

Ma. Visitacion V. Gajitos

Unified Multi-Purpose ID CRN 0111-8469615-1

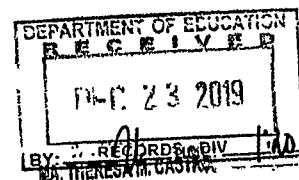
known to me and to me known to be same persons who executed the foregoing instrument and they acknowledged to me that the same is their free and voluntary act and deed as well as of the entity they respectively represent.

This instrument consists of \_\_\_\_\_ (\_\_\_\_) pages, including this page whereon this Acknowledgement is written and herein Annex, and signed by the parties and witnesses on each and every page thereof.

WITNESS MY HAND SEAL this NOV 21 2019 day QUEZON CITY, 2019, at \_\_\_\_\_.

Doc. No. 444:  
Page No. 90:  
Book No. 49:  
Series of 2019.

*Concepcion A. Villarera*  
ATTY. CONCEPCION A. VILLARERA  
Notary Public for Quezon City  
Until December 31, 2019  
PTR No 7323642 – 1-03-2019/ QC  
IBP No. AR14460591 – 12-17-2018/ QC  
Roll No. 30457 – 05-09-80  
MCLE 5-0012536 – 12-21-2015  
Adm. Matter No NP 270 (2018-2019)



ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)  
City of PASIG)

BEFORE ME, A Notary Public for and in the City of QUEZON CITY, this NOV 21 2019 day of October 2019, personally appeared the following:

Name

Government Issued ID

**DepEd**

Leonor Magtolis Briones

DepEd ID NO. 88-015682-9

known to me and to me known to be same person who executed the foregoing instrument and she acknowledged to me that the same is her free and voluntary act and deed as well as of the entity she represents.

This instrument consists of \_\_\_\_\_ (\_\_\_\_) pages, including this page whereon this Acknowledgement is written and herein Annex, and signed by the parties and witnesses on each and every page thereof.

WITNESS MY HAND SEAL this NOV 21 2019 day of October 2019, at QUEZON CITY.

Doc. No. 445;  
Page No. 90;  
Book No. 49;  
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ATTY. CONCEPCION P. VILLARENA  
Notary Public for Quezon City  
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MCLE 5-0012536 - 12-21-2015  
Adm. Matter No. NP 270 (2018-2019)

PHILIPPINE VETERANS BANK  
Authority to Debit/Credit Account

Date : \_\_\_\_\_  
To : **THE BRANCH HEAD**  
\_\_\_\_\_ Branch  
Subject : **AUTHORITY TO DEBIT/CREDIT ACCOUNT**

This authorizes PHILIPPINE VETERANS BANK to:

1. Debit \_\_\_\_\_  
(Account name)
- ☐ Checking Account Number \_\_\_\_\_
2. Credit the BTr Account Number \_\_\_\_\_, representing the following:
- ☐ Automatic transfer of Quarterly Net Interest Income
- ☐ Automatic transfer of the Account balance every end of the year  
(Net of Maintaining Balance)
- (To be filled up at the end of each reference year)
- ☐ Transfer of the Account balance **at the end of the year**  
(Net of maintaining balance and outstanding checks)

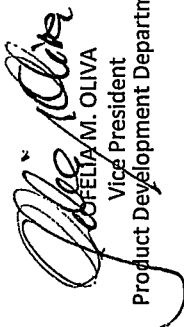
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Amount in Words: \_\_\_\_\_  
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\_\_\_\_\_  
Name and signature of Authorized Signatory

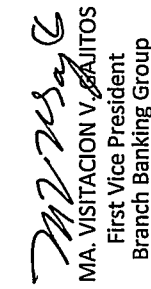
FOR BANK'S USE ONLY:

Signature verified by:	Checked by:	Approved by:	Sight Verified by:
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Validation Print:

  
ROSE M. OLIVA  
Vice President  
Product Development Department

  
RENATO A. CLARAVALL  
President and COO

  
MA. VISITACION V. BAJITOS  
First Vice President  
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ANITA M. SEVILLA  
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