



Republic of the Philippines
DEPARTMENT OF FINANCE
DEPARTMENT OF BUDGET AND MANAGEMENT

JOINT ADMINISTRATIVE ORDER NO. 2015 - 1
March 12, 2015

To : Heads of Departments, Bureaus, Offices, and Agencies of the National Government, including State Universities and Colleges (SUCs), other Executive Offices, and All Others Concerned

Subject : Implementation of the Treasury Single Account (TSA) system for government disbursement; prescribing the adoption of the electronic Modified Disbursement System (eMDS) as part of the Government's Modified Disbursement Scheme (MDS)

Legal Bases: This Joint Administrative Order is issued pursuant to:

- a) Executive Order No. 292 (s.1987) which empowers the Department of Finance to formulate, institutionalize, and administer fiscal policies in coordination with other agencies and instrumentalities, for the sound and efficient management of financial resources of government;
- b) Title VII Sec.2 par 2, Executive Order No.292 (s.1987) which provides that the Department of Budget and Management shall be responsible for the efficient and sound utilization of government funds and revenues to effectively achieve our country's development objectives;
- c) Executive Order No. 449 (s. 1997) which mandates the Bureau of the Treasury (BTr) to manage the NG cash resources;
- d) Executive Order No. 55 (s. 2011) which mandates the establishment and implementation of the Treasury Single Account (TSA) System that provides BTr a more effective way of cash management and rationalizing agency bank accounts, a more economical system for cash disbursements which will remove revenue and expenditure floats, and a more efficient reconciliation of bank balances.

Purpose : To facilitate an efficient and prompt reconciliation of spending agencies' disbursements vis-à-vis the accounts of the Bureau of the Treasury (BTr) maintained at Land Bank of the Philippines (LBP), as Authorized Government Servicing Bank.

Section 1 Coverage

This Joint Administrative Order shall apply to all spending agencies, offices and instrumentalities under the Executive Branch, including State Universities and Colleges, together with other Executive Offices, using LBP as Government Servicing Bank.

The Judicial Branch, the Legislative Branch, Constitutional Offices, and all other Agencies, Offices, and Instrumentalities banking with LBP and therefore maintaining MDS sub-accounts with said bank are likewise covered by this Administrative Order for the National Government to have a holistic view of the budgetary transactions of all spending agencies.

Section 2 Policy Guidelines

2.1. Heads of Departments, Bureaus, Offices, and other instrumentalities under the Executive Branch, maintaining MDS sub-accounts with LBP, including State Universities and Colleges (SUCs), together with other Executive Offices, are enjoined to enrol and subscribe to the eMDS to perform selected MDS transactions online; and to monitor disbursements and generate MDS reports under the Government's Modified Disbursement Scheme;

2.2. Enrolment in the eMDS shall be free of charge;

2.3. All other spending agencies, offices, and instrumentalities of government maintaining MDS sub-accounts with Government Servicing Banks other than LBP shall continue to observe the current procedure of the MDS system.

Section 3 Responsibilities

3.1. A Memorandum of Agreement (MOA) shall be executed by the Department of Finance (DOF), Department of Budget and Management (DBM), BTr, and LBP in relation to the use of eMDS to monitor government disbursements.

3.2. The DOF, DBM, and the BTr shall monitor compliance with this Joint Administrative Order.

Section 4

Transitory Provisions

4.1. The continued adoption of the MDS system (and eMDS) for disbursement shall be observed as part of the TSA implementation.

4.2. All agencies, offices, and instrumentalities under the Executive Branch, including State Universities and Colleges, together with other Executive Offices, that are not banking with LBP and maintaining sub-accounts with such other Authorized Government Servicing Bank (AGSB) shall continue to observe the current MDS system implemented by the AGSB unless they voluntarily transfer their accounts with LBP to avail of the latter's eMDS facility or until after enrolment and subscription to the eMDS upon amendment or repeal of Memorandum Order Nos. 276 (s.1990) and/or 192 (s.1994).

Section 5

Effectivity

This Joint Administrative Order shall take effect immediately.


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