



REPUBLIC OF THE PHILIPPINES  
Department of Agriculture  
**SUGAR REGULATORY ADMINISTRATION**  
North Avenue, Diliman, Quezon City, 1101 Philippines

June 5, 2012

**MEMORANDUM CIRCULAR NO. 2**  
Series of 2012

**SUBJECT: POLICY GUIDELINES AND PROCEDURES ON THE ADMINISTRATION  
AND UTILIZATION OF PHP 2.00/LKG MONITORING FEE IMPOSED IN  
THE RAW SUGAR QUEDAN AS GOVERNMENT TRUST FUND**

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**1.0 Legal Basis and Purpose**

- 1.1 The PHP 2.00/LKG-Bag Monitoring Fee of all sugar covered by Raw Sugar Quedan is imposed by virtue of SRA Board Resolution No. 2011-373-A dated August 24, 2011 and its implementing Memorandum Circular No. 1, series of 2011 – 2012 dated August 26, 2011, and Memorandum Circular No. 1-A, series of 2011-2012 dated September 29, 2011, (copies of them are attached as annexes “A” and “B”).
- 1.2 All collections derived from the PHP 2.00/LKG-Bag Monitoring Fee shall be treated as **Government Trust Fund**, and shall be recorded as **Trust Liability Account** in the SRA books of accounts.
- 1.3 As Trust Fund Account, it shall be purposely utilized to finance the specific, vital, and sustainable regulatory, research and developmental projects and programs of the Sugar Regulatory Administration for the development of the Philippine sugar industry.

**2.0 Fund Management and Administration**

**2.1 Collections, Deposits and Reporting**

- 2.1.1 Policies, procedures, rules and regulations provided in SRA Memorandum Circular No. 1, series of 2011 dated January 5, 2011 re: *“Strengthening the Financial Monitoring Systems (FMS) of the Sugar Quedan Fees – Stabilization Fee (SF), Special Milling Fee (SMF) and Milling Permit Fee (MPF): A Revised and An Enhanced Policies, Rules and Regulations”*, and SRA Memorandum dated September 21, 2011 or the *“Modified Unified Cash Receipts Record and Deposits Report (UCRRDR) Form to effect the implementation and collection of Monitoring Fee (Raw Sugar) @ P 2.00/LKG-*

*Bag*", shall be strictly observed and applied (copies of them are attached as annexes "C" and "D").

## **2.2 Recording, Monitoring and Control**

- 2.2.1 The Administrative and Finance Department through its Accounting Division and Budget/Treasury Division shall ensure the proper accounting, recording, monitoring and control of the collections from the PHP 2.00/LKG-Bag Monitoring Fee – Raw.
- 2.2.2 The Accounting Division and Budget/Treasury Division shall submit to the Administrator or Sugar Board the monthly status report of the Fund showing its updated accumulated disbursements and/or obligations, available fund balances, status of liquidation of cash advances and other related financial transactions.
- 2.2.3 The Administrative and Finance Department shall see to it that the disbursements of the Fund shall be made in accordance with the purpose for which it is created, and shall be subject to the pertinent government budgeting, accounting and auditing laws, rules and regulations.
- 2.2.4 The Chief Accountant and Budget Officer V shall be responsible for the issuance of the certification of funding availability to be sourced out from the Trust Fund.
- 2.2.5 The Budget/Treasury Division is primarily tasked to monitor and control the utilization of the fund allocated to each project or program. It shall assign appropriate account and expense codes, titles and classifications for easy monitoring and control in the implementation of each project/program and utilization of the allocated funds.

## **2.3 Fund Appropriation/Allocation and Utilization**

### **2.3.1 Allocation: Availment and/or Entitlement**

- 2.3.1.1 The Trust Fund shall be solely appropriated/allocated and utilized for the special projects and programs of SRA which are deemed to be very vital and relevant to the development of the Philippine sugar industry in areas of regulatory, research and development both agricultural and industrial aspects.
- 2.3.1.2 Project and program proposals submitted by the different SRA departments/divisions/units to be financially sourced from, or funded

out of the Trust Fund shall pass through and will undergo proper screening, review and evaluation by the Planning and Policy Department prior to its recommendation and approval of the Administrator and/or the SRA Sugar Board.

2.3.1.3 Project and program proposals shall be composed of, and accompanied by the following documents for review and evaluation:

- Comprehensive description, highlights and rationale of the project/program;
- Work and Financial Plan: Detailed breakdown of the project cost on a quarterly basis, i.e. personal services cost, maintenance and other operating expenses and capital/equipment outlay, etc.;
- Substantial benefits and expected positive impacts and contributions of the project, both qualitative and quantitative aspects;
- Financial/economic and cost-benefit analysis including the sustainability and viability of the project;
- Prospective direct and indirect beneficiaries of the project; and
- Other supporting documents/papers which are deemed necessary to substantiate the urgency, importance, relevance and applicability of the project.

2.3.1.4 No portion of the Trust Fund shall be utilized for other purpose except in case of the approved budgetary re-alignment/s or for other justified exigencies.

2.3.1.5 The Planning and Policy Department shall furnish Accounting Division and Budget/Treasury Division the copies of the approved project proposals and programs for references and guidance as well as institute proper monitoring and control of the disbursements and other related expenses.

## **2.4 Releases and Disbursements**

Consistent with the existing government budgeting, accounting and auditing rules and regulations as laid down in Presidential Decree (PD) No. 1445 or the "Government Auditing Code of the Philippines, and Section 6 Trust Receipts of Republic Act (RA) No. 10155 or the General Appropriations Act (GAA) of 2012, the following shall be applied and observed:

- 2.4.1 Trust fund shall be made available and spent only for the specific purpose for which the trust was created or the funds received.
- 2.4.2 Fiscal responsibility of the Trust Fund shall, to the greatest extent, be shared by all those exercising authority over the financial affairs, transactions, and operations of SRA.
- 2.4.3 Disbursements or disposition of the funds shall invariably bear the approval of the proper officials, and claims against it shall be supported with complete documentation.
- 2.4.4 All disbursements of the fund shall be subject to COA post-audit review and examination.

**2.4.5 Personal Services (PS) Cost**

- 2.4.5.1 All personal services cost related expenses incurred by the SRA plantilla officers and employees shall be paid through payroll systems in the same manner as the regular processing of payroll and attachment of the required valid supporting documents, such as, but not limited to Budget Utilization Request (BUR), Certifications of Work Accomplishments, etc.
- 2.4.5.2 Payment shall be made either, in the form of check/s and/or cash through the authorized and bonded Cash Disbursing Officer of the Treasury/Budget Division.
- 2.4.5.3 Payees are required to acknowledge the receipt and sign the payroll accordingly.

**2.4.6 Maintenance and Other Operating Expenses (MOOE)**

- 2.4.6.1 All authorized expenses classified under MOOE shall be paid through disbursement voucher systems and attachment of the required valid supporting documents.
- 2.4.6.2 All applicable processing and pre-auditing government rules and regulations on expenditures shall be applied and observed.
- 2.4.6.3 In the case of procurement of supplies and services which huge amount of fund is required or involved, the rules and regulations of Republic Act

(RA) No. 9184 and its Implementing Rules and Regulations shall be observed and applied at all times.

2.4.6.4 In the case of donation, either in the form of cash, equipment and other properties to various sugar industry associations, federations and foundations, the existing government rules and regulations on donations shall be applied. There shall be an execution of Deed of Donation or Deed of Grant duly supported with appropriate and valid supporting documents such as but not limited to, the purpose/intent of the donation, the nature/description/details of the project to be funded out of the Trust Fund.

2.4.6.5 In the case of per diems and/or honoraria to lecturers, resource speakers, coordinators and facilitators and trainers, the rules and regulations as prescribed in Section 44 of Republic Act (RA) No. 10155, or the General Appropriations Act of 2012, and the Budget Circular No. 2003-5 as amended by Budget Circular No. 2007-1 and National Budget Circular No. 2007-510, Budget Circular No. 2007-2 and other guidelines issued by the DBM shall be applied.

#### **2.4.7 Capital/Equipment/Infrastructure Outlay**

2.4.7.1 In the procurement of infrastructure projects, goods and consulting services, including works undertaken by administration, utilization of the Trust Fund shall be strictly adhered to the provisions of R.A. No. 9184 and its Revised Implementing Rules and Regulations (IRR) and other guidelines that may be issued by the GPPB.

2.4.7.2 Consistent with the policy of transparency, and to achieve efficiency in the procurement process, SRA shall utilize the PhilGEPS, through its electronic catalogue facility, for the procurement of common-use supplies: PROVIDED, that all invitations to apply for eligibility and to bid, notices of award, and all other procurement-related notices shall be posted in the PhilGEPS Electronic Bulletin Board in accordance with the Revised IRR of R.A. No. 9184.

#### **2.4.8 Cash Advance**

2.4.8.1 No official or employee shall be authorized or entitled to handle cash advance, unless she or he is properly bonded as Cash Disbursing Officer.

2.4.8.2 No cash advance shall be given unless for a legally authorized specific purpose.

2.4.8.3 Cash advance shall be reported and liquidated as soon as the purpose for which it was given has been served and completed.

2.4.8.4 No additional cash advance shall be allowed to any project proponent/s, official or employee unless the previous cash advance given to him is first settled, liquidated or a proper accounting thereof is made in accordance with pertinent accounting and auditing rules and regulations.

2.4.8.5 Liquidation of Cash Advance shall be made on a monthly basis duly supported with physical report of project/program accomplishments including its up-to-date status report which reflects the actual utilization of the funds released and disbursed.

#### **2.4.9 Approving Officials and Other Authorized Signatories**

2.4.9.1 For the Budget Utilization Request (BUR) Form, the Department Managers III or any highest official of the office/unit where the project or program is directly under his/her jurisdiction and supervision shall be the one accountable, and will sign the Box "A" of the Form, while Box "B" will be signed by the Budget Officer V or his/her authorized representative in his/her absence.

2.4.9.2 For the Disbursement Voucher (DV) Form, the Chief Accountant or the head of the accounting unit will sign the Box "A", while the Administrator, or Deputy Administrator, and/or Assistant Administrator will sign the Box "B" of the Form.

2.4.9.3 All other supporting documents and other budgetary/financial forms shall be prepared and accomplished within the regular and normal operating procedures.

### **3.0 Project Monitoring System**

3.1 Creation of a Project Monitoring Team (PMT) to be composed of representative/s from the Internal Audit Department, Planning and Policy Department, and Office of the Deputy Administrator to conduct the monitoring, evaluation and assessment of on-going status, implementation and accomplishments of the project which shall be submitted to the Administrator.

3.2 For sound and effective project monitoring system, the following reports shall be submitted on a monthly and quarterly basis by the project proponent/s or implementers as Annexes "E" and "F":

- Monthly Status of Fund Utilization – Annex "E"
- Quarterly Accomplishment/Progress Report- Annex "F"

3.3 In the case of project discontinuance due to project failure, or force majeure or other valid reasons, a written report or justifications shall be submitted to the Administrator.

#### **4.0 Penalties**

4.1 SRA officials, employees and project proponent/implementer/in-charge are primarily accountable and responsible for any acts found to be in violations to the provisions of this Memorandum Circular.

4.2 Appropriate administrative sanctions in accordance with Civil Service Commission (CSC) rules and regulations and other applicable laws shall be enforced to those who found guilty of violations after due process.

#### **5.0 Separability Clause**

5.1 In the case where some of the provisions of this Memorandum Circular are found contrary or inconsistent with the existing government laws, policies, rules and regulations, other provisions shall remain in full force and effective.

#### **6.0 Effectivity**

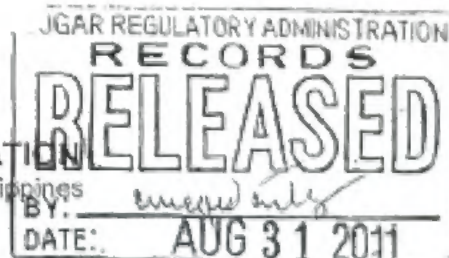
6.1 This Memorandum Circular shall take effect upon approval of the Sugar Board.

By Authority of the Sugar Board:

  
MA. REGINA BAUTISTA-MARTIN  
Administrator



REPUBLIC OF THE PHILIPPINES  
Department of Agriculture  
**SUGAR REGULATORY ADMINISTRATION**  
North Avenue, Diliman, Quezon City, 1101 Philippines



26 August 2011

MEMORANDUM CIRCULAR NO. 1  
Series of 2011 - 2012

**TO : ALL CONCERNED**

**SUBJECT : INCREASE IN FEES AND CHARGES OF SRA  
FRONTLINE SERVICES FOR CY 2011 -2012**

**WHEREAS**, General Administrative Order No. 1 dated 11 May 2011 provides for an increase in fees and charges of SRA frontline services;

**WHEREAS**, there is a need to revise the rates of fees and charges (last increase was year 2003) of the frontline services in the exercise of the regulatory mandate of the SRA pursuant to Executive Order No. 18;

**NOW, THEREFORE**, under and by virtue of the authority vested in the Sugar Regulatory Administration (SRA), the following is hereby ordered:

**Section 1. Increase in Fees and Charges.**

The increase and new rates in fees and charges of the SRA frontline services enumerated in the General Administrative Order No. 1, dated 11 May 2011, as per attached hereto, are hereby imposed and collected except for the following which increases shall be deferred until further notice:

- 1.1 Clearance fee for imported molasses
- 1.2 Clearance fee for export of muscovado/application
- 1.3 Premix clearance (sucrose content Not Detectable (ND) or 0)
- 1.4 Regular swapping fee
- 1.5 Monitoring fee of all sugar covered by Raw Sugar Quedan
- 1.6 Shipping permit and
- 1.7 Milling permit



**Section 2.** This Sugar Order shall take effect beginning September 01, 2011 of Crop Year 2011-2012.

**Section 3.** All other fees and charges not covered by this Order shall remain in full force and effect.

**Section 4.** Provisions of Sugar Orders, Circular Letters and rules and regulations contrary or inconsistent with this Sugar Order are hereby revised, modified or revoked accordingly.

**BY AUTHORITY OF THE SUGAR BOARD:**



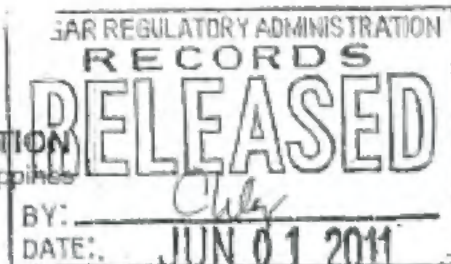
**MA. REGINA BAUTISTA-MARTIN**  
Administrator

Encl: as stated



May 11, 2011

REPUBLIC OF THE PHILIPPINES  
Department of Agriculture  
**SUGAR REGULATORY ADMINISTRATION**  
North Avenue, Diliman, Quezon City, 1101 Philippines



**GENERAL ADMINISTRATIVE ORDER NO. 1**

**SUBJECT : INCREASE IN FEES AND CHARGES OF SRA  
FRONTLINE SERVICES**

Pursuant to Memorandum Circular No. 137 of the Office of the President and Administrative Code of 1987 (Executive Order No. 292) which provides that heads of bureaus, offices or agencies, upon approval of the concerned department head, have the continuing authority to revise their rates of fees and charges to recover the cost of the service rendered and by virtue of the powers vested in the Sugar Regulatory Administration pursuant to Executive Order No. 18, through SRA Board Regulation No. 2011-274 dated March 8, 2011 approving the increase of rates of frontline services, it is hereby ordered that:

**Section 1.** These fees and charges are not intended to recover the administrative cost of services rendered.


**Section 2.** The increase in fees and charges of the frontline services in the exercise of the regulatory mandate of SRA pursuant to Executive Order No. 18 to regulate the schedule of charges are hereby imposed and collected as part of the SRA's regulatory function. The following are hereby increased and new rates shall be imposed and collected, as shown in Table 1 below.

**Section 3.** All other fees and charges currently being charged and collected and not covered by this Order shall continue to be collected.

**Section 4.** This Order shall take effect fifteen (15) days after publication.

APPROVED:

BY THE AUTHORITY OF THE SUGAR  
BOARD:

  
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**PROCESO J. ALCALA**  
Secretary, Department of Agriculture

  
\_\_\_\_\_  
**MA. REGINA BAUTISTA-MARTIN**  
Administrator

DEPARTMENT OF AGRICULTURE  
In replying, please use this code:  
For Signature: 6-05-15-0381  
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**Table 1. Rates of SRA Frontline Services Under the Regulation Department**

Nature of Frontline Services	Rate, Php
<b>1. Registration / Renewal Fee</b>	
a.) Domestic Sugar and Molasses Trader	15,000.00
b.) International Sugar and Molasses Trader	20,000.00
c.) Processors of Sugar based Food products for Export	5,000.00
d.) Muscovado Converter/Trader	6,000.00
<b>2. Clearance Fee</b>	
a.) Export of Sugar, per MT	50.00
b.) Export of Molasses, per MT	30.00
c.) Imported Refined Sugar, Lkg-bag	33.00
d.) Imported Raw Sugar, Lkg-bag	30.00
e.) Imported Molasses, MT	600.00
f.) Export Processing Fee, Quedan	2.50
g.) Export of Muscovado/application	960.00
h.) Extension / Amendment of Clearance/application	3.00
i.) Premix Clearance (Sucrose content Not Detectable (ND) or 0)	300.00
<b>3. Swapping/ Exchange / Surcharge Fee</b>	
a.) Regular Swapping, Lkg-bag	3.00
b.) Advance Swapping/Replenishment, Lkg-bag	5.00
c.) Amendment Fee (Transfer/Change of Ownership), Lkg-bag	4.50
d.) Reclassification Fee, Lkg-bag	3.00
e.) Advance Refining Fee, Lkg-bag	5.00
<b>4. Monitoring Service Fee</b>	
a.) All Sugar Covered by Raw Sugar Quedan, Lkg-bag	3.00
b.) CBW/Food Processor/Exporter, Lkg-bag	25.00

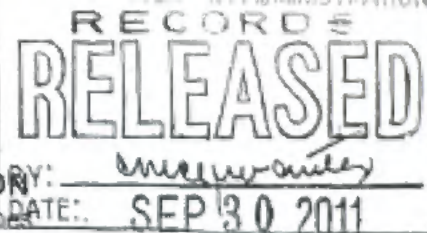
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5. Issuance of Certificate of Origin ( raw sugar), Lkg-bag	0.50
6. Shipping Permit, Lkg-bag	3.00
7. Milling Permit, Lkg-bag	0.80
8. Request for Additional Allocation (Food Processor )/application	3,000.00
9. Issuance of Stop/Lift Order for Lost Quedan/application	2,000.00
<i>(Plus P 0.10 per Lkg-bag for Sugar Covered by Lost Quedan)</i>	
10. SRA Production Bulletin/complete copy	300.00
11. <b>Analysis of Premixes, Dry Mixes &amp; Concentrates/Sucrose Analyte</b> Sucrose (HPIC (standard calibration) CarboPac PA1) w/ Fructose, Glucose, Lactose (for each additional). Additional Php 1,000.00 per additional analyte except sucrose.	3,000.00
12. Bioethanol Research, Development and Extension, L	0.10
13. Bioethanol Monitoring Fee, L	0.05

*5/1/10*



REPUBLIC OF THE PHILIPPINES  
Department of Agriculture  
**SUGAR REGULATORY ADMINISTRATION**  
North Avenue, Diliman, Quezon City, 1101 Philippines



29 September 2011

MEMORANDUM CIRCULAR NO. 1 - A  
Series of 2011-2012

TO : ALL CONCERNED

SUBJECT : Clarification On Fees and Charges of SRA  
Frontline Services For Crop Year 2011-2012

General Administrative Order No. 1 dated 11 May 2011 provides for the increase in fees and charges of the Sugar Regulatory Administration (SRA) frontline services, as therein stated.

Subsequently, SRA issued Memorandum Circular No. 1, Series of 2011-2012 dated 26 August 2011 providing for **deferment** on the imposition and collection of the **increase** in fees and charges only on seven (7) frontline services, to wit:

1. Clearance fee for imported molasses;
2. Clearance fee for export of muscovado/ application;
3. Premix clearance (sucrose content Not Detectable (ND) or 0);
4. Regular swapping fee;
5. Monitoring fee of all sugar covered by Raw Sugar Quedan;
6. Shipping permit; and
7. Milling permit

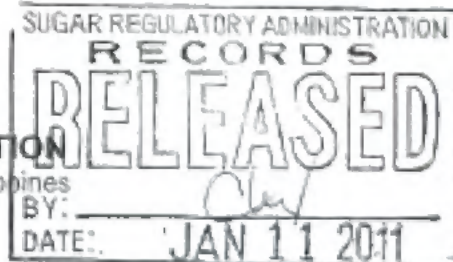
Deferment on the imposition and collection in the increase of seven (7) frontline services, as above stated, was made by SRA in response to request of some stakeholders of the industry to maintain at its present rate and/or reduced the increase in fee and charges of the above-stated seven (7) frontline services.

Pending approval by the Department of Agriculture of the non-increase or reduced increase of fees and charges on SRA seven (7) frontline services, as above stated, the fees and charges as provided for in General Administrative Order No. 1 and 1-A, both Series 2001-2002 and General Administrative Order No. 1, Series of 2002-2003, shall be imposed and collected on the above-stated SRA's seven (7) frontline services.

Attached is the Table of fees and charges for easy reference.

For your guidance and compliance.

  
MA. REGINA BAUTISTA-MARTIN  
Administrator



January 5, 2011

**MEMORANDUM CIRCULAR NO. 1**  
Series of 2011

**SUBJECT: Strengthening the Financial Monitoring Systems (FMS) of the Sugar Quedan Fees - Stabilization Fee (SF), Special Milling Fee (SMF) and Milling Permit Fee (MPF): A Revised and An Enhanced Policies, Rules and Procedures**

**I. Rationale**

The Sugar Quedan Fees which are referred to the Stabilization Fee (SF), Special Milling Fee (SMF) and Milling Permit Fee (MPF) are legitimized as legal mandatory fees to be administered and collected by the Sugar Regulatory Administration (SRA) by virtue of the following laws and SRA Sugar Order, to wit:

- 1.1 Republic Act (RA) No. 5524 dated June 21, 1969, An Act Creating A Special Fund For The Operational Expenses of the Sugar Quota Administration (SQA)
- 1.2 Presidential Decree (PD) No. 388 dated February 2, 1974, An Act Creating The Philippine Sugar Commission (PHILSUCOM)
- 1.3 Executive Order No. 18 dated May 28, 1986, An Act Creating A Sugar Regulatory Administration (SRA)
- 1.4 Sugar Order (SO) No. 6, Series of 1999-2000, and Circular Letter No. 4, Series of 1999-2000: Revised Procedures in the Collection and Remittance of SRA Liens/Fees and Charges

Strengthening the existing FMS of the Sugar Quedan Fees necessitates adherence to the developmental changes in financial management policies, methods and procedures as well improved the internal control system in general. This is one way of ensuring that prompt, efficient and effective response to the demand of the government's austere compliance with the recent financial policy issuances, as well as procedural requirements on budgeting, accounting, auditing and financial reporting.

In the existing FMS, there are observed manifestations of weaknesses, flaws and deficiencies, such as: delayed submission of monthly Collections and Deposits Report (CDR) and remittances of collections; non-reconciled CDR versus actual deposited collections in the bank; inadequacy of vital supporting documents to the CDR; collection

gaps between actual volume of raw and refined sugar withdrawn from the mills/refineries against the actual collections of SF, SMF and MPF during the given calendar year; and the continuous issuances of the Commission on Audit's (COA) audit findings and observations.

Therefore, it is appropriate, logical and timely to enhance the existing FMS which shall pave the way towards well-coordinated and clear-cut policies, methods and procedures to a stronger financial monitoring control systems and mechanisms. Equally important, a re-engineered FMS will also institute sound and effective implementation of SRA sugar policies, rules, regulations and orders; and promote smooth working relationships with the management of sugar mills/refineries, sugar traders and other sugar industry stakeholders. A well-structured and re-defined FMS will have positive impacts on revenue generating activities, which includes but not limited to the proper use and conservation of funds, improvement of collection performance and financial liquidity condition of SRA.

## **II. SCOPE OF COVERAGE**

This Memorandum Circular (MC) covers the revisions and amendments of the existing policies, guidelines, rules and procedures to enhance and strengthen the present internal control FMS of the three (3) Sugar Quedan Fees – Stabilization Fee (SF), Special Milling Fee (SMF) and Milling Permit Fee (MPF). Monitoring fees, and other miscellaneous receipts shall still be governed by the provisions of Circular Letter No. 4, Series of 1999-2000: Revised Procedures in the Collection and Remittance of SRA Liens/Fees and Charges; however, reporting and remittances of the collections shall be covered, and included in the "Unified Collection Receipts Record and Deposits Report (UCRRDR)" as explained in the succeeding sections of this Memorandum Circular (MC).

## **III. REVISED/ENHANCED POLICIES, RULES AND PROCEDURES**

### **Section 1. Designation of Sugar Production Regulation Officers (SPROs) and Other Authorized Collecting Officers, i.e. Cashiers and Treasurers**

- 1.1. The recommendation of SPROs to be designated as Mill Collecting Officers shall originate from the Division Chief, or the Officer-in-Charge of the Sugar Regulation and Enforcement Division (SRED), and shall be concurred and endorsed by the Department Manager III, or the Officer-in-Charge of the Regulation Department (RD) to the Assistant Administrator, Deputy Administrator and Administrator.

- 1.2 Recommended SPROs and Other- Authorized Collecting Officers must hold a permanent status of employment, and must possess the necessary professional qualifications, appropriate civil service eligibility, technical competence with proven integrity and probity.
- 1.3 The designation must be approved by the Administrator, or in his/her absence, the Deputy Administrator, both in SRA Luzon, Visayas and Mindanao.
- 1.4 Special Order (SO) shall be issued to SPROs as Authorized Mill Collecting Officers of the Sugar Quedan Fees, i.e. Stabilization Fee (SF), Special Milling Fee (SMF) and Milling Permit Fee (MPF).
- 1.5 SPROs and Other- Authorized Collecting Officers shall be appropriately bonded with a government Fidelity Bond.
- 1.6 Cashiers and Treasurers as "Other- Authorized Collecting Officers," are automatically authorized to collect Sugar Quedan Fees which are considered one of their inherent functions that go with their respective positions.

**Section 2. Issuance and renewal of SPROs and Other- Authorized Collecting Officers appropriate government's Fidelity Bond**

- 2.1 As Authorized Collecting Officer of SRA, he/she is required to be covered with appropriate and adequate government Fidelity Bond in compliance with Section 101 (1) of Presidential Decree (PD) No. 1445 and Bureau of Treasury of the Philippines Order No. 21-95.
- 2.2 He/she is required to accomplish and submit the following application forms and supporting documents for bonding:
  - Application for Bond of Accountable Officials and Employees of the Republic of the Philippines – General Form No. 58-A, Revised March 21, 1976, - in four copies which shall be subscribed and sworn to before any officer duly authorized by law;
  - Request for Bonding and/or Cancellation of Bond of Accountable Officials and Employees of the Republic of the Philippines – General Form No. 57 (A), Revised March 24, 1976, in three (3) copies;
  - Latest Sworn Statement of Assets and Liabilities as of the date of application;
  - Three (3) copies of 2x2 photograph (black and white); and



- Special Order.
- 2.3 All duly accomplished applications and requests for bonding shall be transmitted to the Budget/Treasury Division or Unit together with all the required supporting documents/attachments, such as: Medical Certificate, Certificate of No Pending Administrative/Criminal/Civil Case and Thumb Mark.
  - 2.4 The SRA – Budget/Treasury Division or Unit shall transmit the application and all its supporting papers and documents to the Bureau of Treasury (BTr) of the Philippines for processing and issuance of the Fidelity Bond.
  - 2.5 The estimated amount of cash in the hands and/or under the custody of the SPROs and Other- Authorized Collecting Officers shall be limited within the amount covered by the bond to render protection to the full extent.
  - 2.6 Application for renewal of the Fidelity Bond shall be prepared and processed one-month advance prior to its maturity and/or expiration date to avoid procedural interruption in the collection process.
  - 2.7 The Accounting Division or Unit shall be responsible for the processing, informing and providing the SPROs and Other- Authorized Collecting Officers the photocopy of both the renewal and/or the newly granted/issued Fidelity Bond within five (5) days upon receipt of the official copy from the Bureau of Treasury (BTr).

**Section 3. Issuance of Official Receipts (ORs) as Accountable Forms to SPCROs and Other- Authorized Collecting Officers**

- 3.1 For purposes of checks and balances, the Budget/Treasury Division or Unit shall issue official receipts to SPROs and Other- Authorized Collecting Officers. It is required to maintain a control logbook to serve as record of all the Official Receipts (ORs) issued to SPROs and Other- Authorized Collecting Officers, which includes the name of the accountable collecting officers, the corresponding ORs are sequentially numbered together with the serial number of OR booklets and number of pieces of OR released and issued.

- 3.2 The Budget/Treasury Division or Unit is required to conduct regular inventory of the OR issued, check and reconcile records for proper monitoring of their issuances and actual utilization.
- 3.3 The Budget/Treasury Division or Unit shall submit reports of Official Receipts (ORs) issued to SPROs and Other – Authorized Collecting Officers to the Accounting Division.

**Section 4. Examination, verification and validation of Sugar Quedan Instrument, and its supporting documents and attachments by the SPROs and Other Authorized Collecting Officers**

- 4.1 Withdrawal of physical sugar shall only be allowed by the Mills/Refineries upon presentation of covering quedans duly rubber-stamped by the SPROs and Other- Authorized Collecting Officers and the mill/refinery warehouseman with marked “**SRA LIENS PAID, OTHER LIENS PAID AND SERVED**”. Otherwise, the mill/refinery shall be held liable to the SRA.
- 4.2 SPROs and Other- Authorized Collecting Officers shall verify and validate the authenticity of the Sugar Quedan Instrument/s and Sugar Release Orders (SROs), checks the proper sequencing of the quedan number, and carefully calculates/computes the exact amount of fees to be collected based on the actual volume of sugar as stated in the instrument.
- 4.3 Sugar traders, producers, mills and refineries shall pay prior to the withdrawal of sugar, the corresponding liens and fees in the Sugar Quedan Instrument and Sugar Release Order (SRO) to the SPROs and Other- Authorized Collecting Officers officially assigned at the sugar mills, refineries and other sugar marketing/transacting places/areas.

**Section 5. Collection of Sugar Quedan Fees: SF, SMF and MPF, and the corresponding issuances of Official Receipts (ORs) to Sugar Traders, Producers, Mills, Refineries and other sugar industry stakeholders**

- 5.1 To ensure an orderly and a prompt remittance collections, SPROs and Other- Authorized Collecting Officers are authorized to collect the same for SRA the total value of which shall correspond to the sum of the SF, SMF and MPF in an individual Sugar Quedan Instrument surrendered prior to the withdrawal of sugar from the mills, refineries and sugar warehouses by the sugar traders, producers, millers/refiners and sugar industry stakeholders. The rates of the Sugar Quedan Fees are as follows:

- Stabilization Fee (SF) – PHP 0.79/Lkg – Bag
  - Special Milling Fee (SMF) – PHP 0.079/Lkg – Bag
  - Milling Permit Fee (SMF) – PHP 0.40/Lkg – Bag
- 5.2 SPROs and Other- Authorized Collecting Officers shall acknowledge all payments received from the collections of SF, SMF and MPF by issuing immediately a corresponding Official Receipts (OR). The OR shall be prepared in three (3) copies to be distributed as follows: Original – payee; Duplicate – Auditor through the Chief Accountant; and Triplicate- Collecting Officer. The original copy of the official receipt shall be written in hard legible ink, while the duplicate and triplicate copies shall be a carbon copy of what has been written on the original.
- 5.3 Official Receipts (ORs) shall be issued based on their sequence and booklet numbers and chronological orders. In the event that ORs were issued not in accordance with the foregoing policy, SPROs and Other- Authorized Collecting Officers shall be required to submit and report the copy or copies of the official receipts (ORs).
- 5.4 SPROs and Other- Authorized Collecting Officers are not allowed to issue “PRE-SIGNED” official receipts (ORs) to other unauthorized individuals, officers and staff of the sugar mills/refineries, and to other third parties.
- 5.5 Where the payment received is check instead of cash, it shall be the duty of the SPROs and Other- Authorized Collecting Officers to scrutinize the check before issuing the official receipts (ORs) as to the completeness and correctness of the following: amount, date, telephone number, signature, countersignature, and that the check is drawn by the payer himself and made payable to the Sugar Regulatory Administration (SRA).
- 5.6 In case the payment received is in the form of money order, it shall be the duty of the SPROs and Other- Authorized Collecting Officers to verify the date, number and amount as well as address of the payer should be written on the face of the official receipt for easy communication; and the official receipt number and date should be written at the back of the money order.
- 5.7 There shall be no cash payments of more than ONE THOUSAND PESOS (PHP 1,000.00) will be accepted by SPROs and Other- Authorized Collecting Officers, for which case, the sugar traders, producers, mills and refineries shall issue company checks in the name of the Sugar Regulatory Administration (SRA).

- 5.8 Collections may be received by the SPROs and Other- Authorized Collecting Officers through personal payment by the debtor or through mails. In any case, the responsibility for determining and recording the source and type of collections rests with the SPROs and Other- Authorized Collecting Officers.

**Section 6. Preparation of bank deposit slips and remittance of the collections through the "ONLINE" COLLECTIONS FACILITY AGREEMENT with Land Bank of the Philippines (LBP)**

- 6.1 SPROs and Other- Authorized Collecting Officers shall remit the collections through "on-line" collection facility agreement with Land Bank of the Philippines (LBP) under the SRA's bank account number 0712-2220-26.
- 6.2 SPROs and Other- Authorized Collecting Officers are required to deposit or remit all collections with the nearest LBP Branch for credit to SRA's bank account number as mentioned above. They shall accomplish LBP's applicable deposit slips and indicate at its front page the name of the mill/refinery and the word "ON-COLL."
- 6.3 SPROs and Other- Authorized Collecting Officers shall be guided by Section 111 of the Government Accounting and Auditing Manual, on the frequency of deposits, except those assigned in places which are 30 kilometers or more away from the nearest on-line depository and/or those assigned in integrated or non-integrated mills alone shall deposit their collections intact on a weekly basis.
- 6.4 SPROs and Other- Authorized Collecting Officers shall be at the mills eight (8) hours a day for the issuances of official receipts (ORs) except during the day that they are required to deposit the collections and report to SRA offices once a week.
- 6.5 Collections shall not be used to defray expenses of any SRA field stations; and at no instance should the money in the hands of the collecting officers be utilized for the purpose of en-cashing private checks, and for personal use or gain.

**Section 7. Submission of Daily Collections and Deposits Report through "ONLINE REPORTING SYSTEM" and/or other forms of internet transmission facilities**

- 7.1 As required in the PD 1445, GAAM and New – Government Accounting System (N-GAS), all government receipts/collections shall be properly

recorded and accounted in the Control Cash Record/Book. It shall be the primary responsibility and accountability of the SPROs and Other-Authorized Collecting Officers to record and post the collection entries/transactions to the Control Cash Record.

- 7.2 For purposes of uniformity and consistency of the Collections and Deposits Report Form, and to condense, lessen and reduce the number of report forms to be prepared by the SPROs and Other- Authorized Collecting Officers, a new form of Collections and Deposits Report shall be used, and it shall be called a "**Unified Cash Receipts Record and Deposits Report (UCRRDR)**", please refer to Annex "A" for the sample form. This report shall also serve as Control Cash Record/Book to be maintained by SPROs and Other – Authorized Collecting Officers of the Sugar Quedan Fees.
- 7.3 All SPROs and Other- Authorized Collecting Officers are required to maintain the Daily, Monthly and Annual **UCRRDR** as their continuing control cash record of collections and deposits and be made available to the Internal Audit Department (IAD) and Commission on Audit (COA) in case of surprise cash audit.
- 7.4 The **UCRRDR** shall be kept up-to-date and entries shall not lag behind by more than a day.
- 7.5 All transactions pertaining to collections and remittances (deposits) shall be properly recorded in the **UCRRDR**.
- 7.6 SPROs and Other- Authorized Collecting Officers shall be provided with laptop computers, with a financial allowance to defray the expenses on internet usage/consumption in the amount of ONE HUNDRED PESOS (PHP 100.00) a month and a reimbursement expense receipt (RER) shall be used. In the case of non-availability of internet signals or connections, they shall be provided with portable internet broadband connections.
- 7.7 SPROs and Other- Authorized Collecting Officers shall be trained, well-equipped and well-versed in the use of laptop computers and internet operation particularly the preparation and submission of the reports.
- 7.8 SPROs and Other- Authorized Collecting Officers shall be strictly required to submit their **UCRRDR** through "online reporting system" and other forms of internet transmission to the Accounting Division or Unit on a daily basis with or without sugar transactions.
- 7.9 For uniformity and consistency purposes, **UCRRDR** Form shall be used in the "**online reporting system**" in an excel format, and a soft copy of

which shall be sent by the SPROs and Other- Authorized Collecting Officers via e-mail to the Accounting Division or Unit.

7.10 The Accounting Division or Unit shall perform an advance review, reconciliation and analysis of the collections and deposits reports submitted by the SPROs and Other- Authorized Collecting Officers, particularly the amount deposited, remitted and credited with SRAs bank account with LBP.

7.11 The Accounting Division or Unit is authorized to remind, give advice and call the attention of the SPROs and Other- Authorized Collecting Officers where errors, procedural lapses, and violations of the herein rules and regulations committed by them.

7.12 The Accounting Division or Unit shall directly coordinate with the Division Chief of the Sugar Regulation and Enforcement Division (SRED) regarding the errors and violations committed by the SPROs and Other- Authorized Collecting Officers.

**Section 8. Semi-monthly submission of the vital and mandatory supporting documents, papers and attachments to the Consolidated Collections and Deposits Report**

8.1 As required by the existing laws, Daily UCRRDR forwarded by SPROs and Other- Authorized Collecting Officers to the Accounting Division or Unit through "online reporting system" shall be supported by the mandatory documentary evidences, such as: duplicate copies of official receipts, validated deposit slips, report on accountability for accountable forms, Sugar Release Order (SRO) and Delivery Report – Raw [SMS Form No. 5 dated August 2008] to be submitted on a semi-monthly basis and/or every other two (2) weeks in a month.

8.2 The report on accountable forms shall include, among others, the name/type, quantity and serial number and/or value, of the accountable forms as of last month/period, the forms received and issued during the month/period and the balances as of end of month/period.

8.3 The original copies as well as duplicate copies of the "cancelled and unused" official receipts (ORs) shall be reported to the Accounting Division or Unit, properly accounted and included in the report of the accountable forms.

8.4 The **UCRRDR** shall be consistently maintained and kept by the SPROs and Other- Authorized Collecting Officers for presentation and be made available for the review and examination of Accounting Division or Unit, and Internal Audit Department (IAD) to promote and institute checks and balances in the internal control FMS of Sugar Quedan Fees.

8.5 At any given time, the Accounting Division or Unit and Internal Audit Department (IAD) shall conduct surprise and/or on the spot cash audit and examine the Control Cash Book of all SPROs and Other- Authorized Collecting Officers.

**Section 9. Reviews, checks and examination of the UCRRDR and the completeness and authenticity of its supporting documents and attachments**

9.1 The Accounting Division or Unit shall thoroughly review, monitor and ensure that all SPROs and Other- Authorized Collecting Officers are compliant to the mandatory reportorial procedures and requirements.

9.2 The Accounting Division or Unit shall check the mathematical calculations to address collection gaps [e.g. understatement and/or overstatement of collections and deposits], summary of transactions, and accounting entries.

9.3 The Accounting Division or Unit shall record, summarize and analyze the transactions involving the collections of the Sugar Quedan Fees, and the completeness and authenticity of the supporting documents and attachments of the **UCRRDR**.

9.4 The Accounting Division or Unit shall verify and examine the number sequence in the issuance of official receipts (ORs). Official receipts shall be issued in a proper sequence number and chronological orders. Intervals in the issuance of official receipts shall be subjected to a submission of valid written justifications.

**Section 10. Preparation and Analysis of Journal Entry Voucher (JEV), Collection of Receipts and Deposits Journal (CRDJ) and Subsidiary Ledger (SL)**

It shall be the primary responsibility and accountability of the Accounting Division or Unit to prepare and ensure the correctness of the Journal Entry Voucher (JEV), Collection of Receipts and Deposits Journal (CRDJ) and Subsidiary Ledger (SL) and proper classification of income accounts in conformity with Philippine Accounting Standards (PAS), New Government Accounting Systems (N-GAS) and the Generally Accepted Accounting Principles (GAAP).

**Section 11. Certification as to the correctness of Journal Entry Voucher (JEV), Collection of Receipts and Deposits Journal (CRDJ) and Subsidiary Ledger (SL)**

It shall be the primary responsibility of the Chief Accountant the establishment of the legality, validity and correctness of Journal Entry Voucher (JEV), Collection of Receipts and Deposits Journal (CRDJ) and Subsidiary Ledger (SL) in accordance with the requirements of Philippine Accounting Standards (PAS), Government Accounting and Auditing Manual (GAAM) and New-Government Accounting Systems (N-GAS).

**Section 12. Submission of Journal Entry Voucher (JEV), Collection of Receipts and Deposits Journal (CRDJ), General Ledger (GL) and Subsidiary Ledger (SL) to the Office of COA Resident Auditor**

In compliance with the provisions of Presidential Decree (PD) No. 1445, New-Government Accounting System (N- GAS) and Philippine Accounting Standards (PAS), all financial transactions, financial reports and its supporting documents shall be submitted to the Commission on Audit (COA) on or before the 15<sup>th</sup> day of the following month for review of financial transactions and post-audit purposes.

**III. OFFICES/DEPARTMENTS/DIVISION/UNIT PRIMARILY RESPONSIBLE FOR THE SMOOTH AND EFFECTIVE IMPLEMENTATION, ENFORCEMENT, MONITORING AND COMPLIANCE OF THE PRESCRIBED POLICIES, RULES AND PROCEDURES OF THIS MEMORANDUM CIRCULAR (MC)**

III.1 Regulation Department (RD) / Sugar Regulation and Enforcement Division (SRED) / SPROs and other Authorized Collecting Officers

III.2 Administrative and Finance Department (AFD) / Budget and Treasury Division (BTD) / Accounting Division (AD)

III.3 Internal Audit Department (IAD)



#### IV. PENALTY CLAUSE

Violations, malfeasance and other forms of acts of omissions to the foregoing provisions, methods and procedures in this Memorandum Circular (MC) shall be dealt and charged with appropriate administrative, criminal and penal sanctions in accordance with the existing Commission on Audit (COA), Civil Service Commission (CSC), Department of Finance (DoF), Bureau of Treasury (BTr), Office of the Ombudsman policies, rules and regulations, and other anti-corruption laws and orders.

#### V. EFFECTIVITY CLAUSE

Except for the **ONLINE REPORTING SYSTEM** which shall take effect on March 1, 2010, while the efficiency and effectiveness on internet service connections are being established and/or installed, all other provisions of this Memorandum Circular (MC) shall be implemented starting February 1, 2011.

In furtherance, all other provisions of the existing Office Orders, Circular Letters, Memorandum Circulars, and Administrative Orders which are inconsistent and/or contrary to the provisions set forth in this Memorandum Circular shall be deemed revoked, amended and superseded.

For strict compliance.



**MARIA REGINA BAUTISTA-MARTIN**  
Administrator

**SUGAR REGULATORY ADMINISTRATION  
UNIFIED CASH RECEIPTS RECORD AND DEPOSIT REPORT (UCRRDR)**  
Period Covered: \_\_\_\_\_ 2011

Station \_\_\_\_\_

Date \_\_\_\_\_  
Report No. \_\_\_\_\_  
Sheet No. \_\_\_\_\_

Annex \_\_\_\_\_

Date	SRO No.	OR No.	Payer	Volume		Collections - Sugar Quotas Fees				424-5	608-2	Collections Deposited Monitoring Fee SRA-LBP # 0712-2220-00 (+7) (+8)	Collections Deposited Misc. Fees/Receipts SRA-LBP# 0712-1602-81 (+9) (+10)	TOTAL COLLECTIONS (4+5+7+9) (11)	TOTAL DEPOSITS (6+8+10) (12)	TOT UNDER COLLEC CASH B/ ON H (13)
				Liers	Monitoring	678-1 Stabilization Fee (1)	679-2 Special Milling Fee (2)	605-1 Milling Permit Fee (3)	Total (1+2+3) (4)	Collections Monitoring Service Fee (5)	Collections Deposited SRA- LBP # 0712-2220-26 (+5) (6)					

**C E R T I F I C A T I O N**

- Requirements: (1) This report shall be prepared in three (3) copies.\*  
(2) Mandatory Supporting Documents:  
(a) Duplicate Copies of Official Receipts Issued  
(b) Sugar Release Order and Delivery Report  
(c) Monthly Report of Accountability for Accountable Farms  
(d) Validated LBP - Deposits Slips  
(e) Cancelled Official Receipts, if any

I hereby certify on my official oath that the above is a true statement of all collections received, and deposited by me during the period stated above for which the Official Receipt Nos. \_\_\_\_\_, inclusive were actually issued by me in the amounts shown thereon. I also certify that I have not received money from whatever source without having issued the necessary Official Receipts (ORs) in acknowledgement thereof. Collections received by sub-collectors are recorded above in lump-sum opposite their respective collection and deposit report numbers.

\_\_\_\_\_  
Sugar Production Regulation Officer- Authorized Collecting Officer

Verified and Reviewed by:

Inspected by:

\_\_\_\_\_  
Accountant/Bookkeeper/Financial Analyst

Audited by:

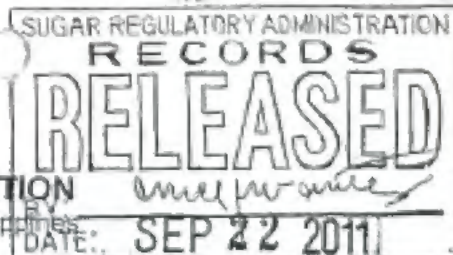
\_\_\_\_\_  
Internal Auditor, SRA- Internal Audit Department

\_\_\_\_\_  
COA Auditor/Representative

\* Original and duplicate copies shall be submitted to the Accounting Division or Unit together with the mandatory supporting documents, after which, they shall be submitted to the Office of the Commission on Audit (COA) as attachment to the Report of Collections and Deposits Journal, and the duplicate copy shall be retained by respective SPRO-Authorized Collecting Officers for his/her official file to be presented during audit or inspection.



REPUBLIC OF THE PHILIPPINES  
Department of Agriculture  
**SUGAR REGULATORY ADMINISTRATION**  
North Avenue, Diliman, Quezon City, 1101 Philippines



September 21, 2011

## MEMORANDUM

**TO :** Department Manager III, Regulation Department  
Division Chief, Sugar Regulation Enforcement Division  
Division Chief/Unit Heads, Accounting and Treasury Divisions/Units  
All Sugar Production and Regulation Officers (SPROs) - Designated Field  
Collecting Officers

**FROM:** *A. Ignacio*  
AIDA F. IGNACIO  
Deputy Administrator & OIC - Office of the Administrator

**Subject:** Modified Unified Cash Receipts Record & Deposits Report (UCRRDR)  
Form to effect the implementation and collection of Monitoring Fee (Raw  
Sugar) @ P 2.00 / Lkg-Bag as per SRA Memo Circular No. 1, Series of 2011

In line with the implementation of the Monitoring Fee (Raw Sugar) of TWO PESOS (P 2.00) per Lkg - Bag effective crop year 2011 - 2012 and onwards, the UCRRDR Form covered under SRA Memorandum Circular No. 1, series of 2011 shall be modified accordingly. An additional column for the inclusion of Monitoring Fee (Raw Sugar) was provided. Whereas, the three (3) columns for bank accounts to where the collections are deposited prior to transferring the same to their mother LBP account # 0712-1710-33 were deleted and/or excluded. Similar to the existing practices, collections of each of these fees/charges shall remain, and deposited intact to the following bank accounts:

- LBP Account # 0712-2220-26 : Stabilization Fee (SF), Special Milling Fee (SMF), Milling Permit Fee (MPF), Monitoring Fee (Raw Sugar), Monitoring Service Fee (Voluntary Contribution)
- LBP Account # 0712-2220-00: Monitoring Fee (Raw to Refined Sugar)
- LBP Account # 0712-2220-42: Shipping Permit Fee
- LBP Account # 0712-1002-81: Miscellaneous Fees, i.e. SAGE collections & Molasses

For purposes of reporting, these bank accounts shall not appear on the face of the UCRRDR modified form. They shall be properly checked, controlled and monitored by the Accounting Division/Unit through reconciliation of the daily/weekly summary of collection reports furnished by LBP to SRA on a regular basis.

Financial monitoring systems and policies set forth in SRA Memorandum Circular No. 1, series of 2011 shall apply in all aspects of Monitoring Fee (Raw Sugar) collections, deposits, remittance and reporting.

For strict compliance and guidance.



SUGAR REGULATORY ADMINISTRATION

Project Name: \_\_\_\_\_

ACCOMPLISHMENT REPORT

As of: \_\_\_\_\_

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

Sources of Fund: Trust Fund - P 2.00/lkg-Bag Monitoring Fee - Raw Sugar

ANNEX "F"

ACTIVITIES/PROGRAMS/PROJECTS	Approved Budget/ Allocation	EXPECTED OUTPUT/ QUANTITY		ACCOMPLISHMENTS							Remarks	
				2012			1st Quarter Accomplishments	2012				2nd Quarter Accomplishments
				Jan	Feb	Mar		Apr	May	Jun		

Prepared by: \_\_\_\_\_  
Project Implementer/Proponent

Checked by: \_\_\_\_\_  
Planning Officer

Certified Correct: \_\_\_\_\_  
Manager III, PPD

Approved by: \_\_\_\_\_  
Administrator