



Republic of the Philippines
Department of Health
OFFICE OF THE SECRETARY

01 April 2013

DEPARTMENT ORDER

No. 2013- 0059 .

**SUBJECT: GUIDELINES ON THE RELEASE AND UTILIZATION OF FUNDS
FOR PHASE 2 OF THE GLOBAL FUND SUB-RECIPIENT TB
PROJECT FOR SELECTED CHD TB CULTURE CENTERS AND
RESEARCH INSTITUTE FOR TROPICAL MEDICINE (RITM)**

I. BACKGROUND

The Department of Health (DOH) is the Sub-Recipient of the Philippine Business for Social Progress (PBSP), to implement Phase 2 of the Global Fund TB Project entitled "Sustaining TB Control and Ensuring Universal Access to Comprehensive Quality TB Care". The goal of the Consolidated Program is to reduce the prevalence, incidence and mortality of TB by 50% in 2010 and beyond 50% thereafter from a baseline established in 2000 in support of the Millennium Development Goals for poverty alleviation.

In order to ensure smooth implementation of the project's activities, as stipulated in the approved Work & Financial Plan (WFP), the DOH will transfer funds to the Center for Health Development (CHDs) for the TB Culture Centers under this guidelines and the Research Institute for Tropical Medicine (RITM) intended for Global Fund Sub-Recipient TB Project Phase 2 (GFSRTBP2) related activities of the National Tuberculosis Reference Laboratory (NTRL).

II. OBJECTIVE

1. To ensure that project activities shall be implemented on a timely manner and in accordance with the approved work and financial plan (WFP);
2. To provide administrative procedures in the release, disbursement and liquidation of Global Fund Sub-Recipient TB Project Phase 2 (GFSRTBP2) Funds for selected Center for Health Development-TB Culture Centers and the National Tuberculosis Reference Laboratory of the Research Institute for Tropical Medicine (RITM-NTRL);

III. SCOPE OF APPLICATION

These guidelines shall apply to actual release, disbursement and liquidation of funds and/or expenditures utilized for the implementation of project approved activities in the TB Culture Centers at Centers for Health Development (CHDs) for Cagayan Valley, Central Luzon, Bicol, Central Visayas, Eastern Visayas, Northern Mindanao, Davao, CARAGA and the Research Institute for Tropical Medicine (RITM) for the operations of the National Tuberculosis Reference Laboratory (NTRL) related only to implementation of Global Fund Sub-Recipient TB Project Phase 2 activities which shall directly be managed by this Department.

IV. GENERAL GUIDELINES

1. The funds will finance specific activities in the project sites as contained in the approved Global Fund Sub-Recipient TB Project Phase 2 (GFSRTBP2) plan of DOH. The funds shall be transferred to the abovementioned CHDs and RITM to support Laboratory Strengthening under NTRL's leadership in managing the lab network and ensuring quality assurance (QA) of TB laboratory services for Direct Sputum Smear Microscopy (DSSM), TB culture and drug susceptibility testing (DST). The specific activities will include:

1.1 For CHD:

- a. Payment of salaries of laboratory project staff detailed at regional TB culture centers;
- b. Purchase of emergency laboratory supplies and materials covered by direct sputum smear microscopy (DSSM), Culture and drug susceptibility testing (DST), line probe assay (LPA) and mycobacterium growth indicator tube (MGIT) services. Technical specifications of laboratory supplies and materials will be provided by NTRL, approved by Infectious Disease Office-National Tuberculosis Program (NTP), copy furnished PBSP and BIHC;

1.2 For RITM:

- a. Payment of salaries of laboratory project staff detailed at the National TB Reference Laboratory;
- b. Workshops/training activities to capacitate the laboratory network;
- c. Workshops/meetings to decide/finalize the implementation arrangements including the management and supervision of the day to day GF project activities of the reference laboratory;
- d. Procurement of laboratory supplies and materials covered by DSSM, Culture and DST, LPA and MGIT services, including requirements of the line probe assay quality assurance (LPA QA) and line probe assay external quality assurance supra laboratory (LPA EQA Supra Lab). Technical specifications of said laboratory supplies and materials will be provided by NTRL, approved by IDO-NTP, copy furnished PBSP & BIHC;
- e. Monitoring and supervision activities to the lab network related to On-Site Data Validation of Programmatic Management of Drug-resistant Tuberculosis (OSDV-PMDT), On-Site Data Validation for EQA, Equipment Assessment for Culture Centers/Drug Susceptibility Testing Centers, including Mentoring and Monitoring of Culture Centers. Funds for said activities shall cover transportation, accommodation, airfare, per diem, gasoline and toll fees expenses;
- f. Project management operations of NTRL i.e office supplies, communication expenses, internet, travelling expenses/grant monitoring expenses, and other expenses necessary for efficient implementation of the project;
- g. Other expenses covering repair and maintenance of office equipment, furniture and fixtures, printing and binding expenses for the reproduction of directory of TB microscopy.

2. The CHD Directors/RITM Director, with support from authorized staff of CHD-National Tuberculosis Program (CHD-NTP) and NTRL, respectively, shall be responsible for implementing and coordinating all the laboratory activities including the management and disbursement of project funds intended for the aforementioned;
3. The CHD Directors/RITM Director shall open and maintain a separate bank account with the Land Bank of the Philippines and furnish the DOH-Finance Service with the bank account details. CHD Directors/RITM Director shall issue official receipt within three (3) days as acknowledgement;
4. The CHD/RITM Accounting Office, in coordination with authorized staff from the CHD-NTP and NTRL, respectively, shall prepare and submit to the DOH-Bureau of International Health Cooperation (BIHC) the following reports based on schedule:
 - 4.1 Accomplishment Report on activities conducted;
 - 4.2 Liquidation Report Per Category supported by the following:
 - 4.2.1 Report of Checks Issued (RCI)/Report of Disbursement;
 - 4.2.2 Monthly Bank Reconciliation Statements;
 - 4.2.3 Cash advances for travel should be included in the liquidation only when fully liquidated. For completeness of the Liquidation Report, only the check date, number, payee, particulars, and category should be included. The remarks should indicate "for liquidation".
 - 4.3 All documents mentioned above shall be duly signed by the CHD Director/RITM Directors certified correct by the Accountant and verified by the Resident Auditor. In case credit notice is not yet available during request for transfer of funds, advance copy with signatures of CHD Directors/RITM Director and Accountant can be forwarded to DOH-Finance Service, copy furnished DOH-BIHC and DOH-Commission on Audit (DOH-COA), provided a stamped receive by the office of the Resident Auditor at CHDs and RITM is available. Approved Credit Notice for the total actual funds released and utilized is required to be submitted during the annual closing of books.

V. SPECIFIC GUIDELINES

1. For CHD

- 1.1 First tranche shall be released upon receipt of the bank account details, request for transfer of funds and list of supplies and materials, for procurement, submitted to BIHC covering section 1 of Article 1 of the General Guidelines as contained in the Work and Financial Plan of the CHD for TB Culture Centers, approved and endorsed by RITM-NTRL, copy furnished IDO-NTP and PBSP. The first tranche is composed of two(2) months of the approved quarterly list of activities;
- 1.2 Subsequent release of funds shall be done monthly upon submission of complete reports as stated in section 4 of Article IV of the General Guidelines. Any unutilized funds at the end of each month shall be deducted from the total amount of the next tranche for release provided proof of cash balance is submitted;

2. For RITM

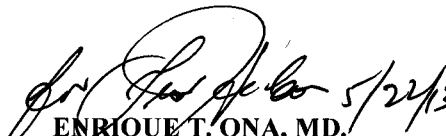
- 2.1 First tranche covering as mobilization fund for the quarter shall be released upon receipt of the bank account details, request for transfer of funds and list of activities per quarter submitted by RITM-NTRL to BIHC, copy furnish IDO-NTP, which shall validate and assess the reported budgetary requirements of the aforementioned. First tranche is composed of two (2) months of the quarterly list of activities approved by BIHC in coordination with IDO-NTP & PBSP;
- 2.2 Funds for the operating expenses, procurement of laboratory supplies and materials, training activities and workshops shall be released based on the submitted quarterly list of activities and in consideration with the actual release made by PBSP. Subsequent releases shall be done monthly upon submission of the required reports stated in section 4 of the General Guidelines. Any unutilized funds at the end of each month shall be deducted from the total amount of the next tranche for release provided proof of cash balance is submitted;
- 2.3 Relative with the above, funds intended for procurement of laboratory supplies and materials will be released provided an annual procurement plan (APP) is submitted for the intended year by RITM-NTRL, approved by IDO-NTP, copy furnished PBSP and BIHC;

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3. Disbursement of funds shall be based on the approved work and financial plan issued by PBSP to BIHC and PBSP-DOH Grant Agreement and in accordance with existing government accounting and auditing rules and regulations;
4. Official signatories on financial transactions must be in accordance with the issuance on the delegation of authority and using the above General Guidelines;
5. In no case shall the fund transferred be utilized for payment of other expenses not provided and/or related with these guidelines without prior approval from BIHC, copy furnished IDO-NTP, DOH-Finance Service and PBSP. Any request for realignment/reprogramming due to change in the activity to be funded should require approval from the designated GF-SR TB Project Director/Project Manager in close coordination with PBSP & IDO-NTP;
6. Should there be unutilized funds at the end of the project on December 31, 2014, the CHD/RITM shall return said amount not later than 15th of February 2015 after the above closing date of the project to the account of the DOH-GFSRTBP2 and inform the DOH-BIHC and DOH-FAPs Section.

VI. EFFECTIVITY:

This Order shall take effect immediately.


ENRIQUE T. ONA, MD.
Secretary of Health

Schedule of Submission of Reports

Annex A

Accomplishment Report	7 working days after the end of each month
Liquidation Report with complete supporting documents	7 working days after the end of each month
Approved Credit Notice issued by the Resident Auditor	10 working days before the end of December



RITM/NTRL		NTRL	CHD2	CHD3	CHD5	CHD7	CHD8	CHD10	CHD11	CARAGA
JANUARY 2013 - DECEMBER 31, 2013										
	Total 2013 Budget									
	21,267,801.00	9,869,472.00	502,140.00	502,140.00	717,144.00	1,399,728.00	502,140.00	502,140.00	733,272.00	733,272.00
1. HUMAN RESOURCES										
2. TECHNICAL AND MANAGEMENT ASSISTANCE										
3. TRAINING	4,939,410.00	4,939,410.00								
4. HEALTH PRODUCTS AND HEALTH EQUIPMENTS	5,553,786.28	4,443,029.02	138,844.66	138,844.66	138,844.66	138,844.66	138,844.66	138,844.66	138,844.66	138,844.66
DSSM Service	650,514.28									
re and DST Service	4,903,272.00									
5. MEDICINE AND PHARMA PRODUCTS										
6. PROCUREMENT AND SUPPLY MANAGEMENT	3,264,000.00	3,264,000.00								
Freight charges - specimens, supplies & materials and isolates to CC/DST/TC/STC	3,264,000.00									
7. INFRASTRUCTURE AND OTHER EQUIPMENT										
8. COMMUNICATION MATERIALS										
9. MONITORING AND SUPERVISION	8,612,000.00	8,612,000.00								
10. LSTC										
11. PLANNING AND ADMINISTRATION	539,400.00	539,400.00								
12. OVERHEADS	2,212,000.00	2,212,000.00								
13. OTHERS										
	46,388,397.28	33,879,311.02	640,984.66	640,984.66	855,988.66	1,538,572.66	640,984.66	640,984.66	872,116.66	872,116.66

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