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**KAWANIHAN NG INGATANG-YAMAN**  
(BUREAU OF THE TREASURY)  
Intramuros, Manila

**TREASURY CIRCULAR NO. 02 – 2019**

April 25, 2019

**TO:**

ALL HEADS OF DEPARTMENTS, BUREAUS AND OFFICES OF NATIONAL GOVERNMENT AGENCIES AND LOCAL GOVERNMENT UNITS, GOVERNMENT-OWNED OR CONTROLLED CORPORATIONS, STATE UNIVERSITIES AND COLLEGES, STATE AUDITORS, AND ALL OTHERS CONCERNED

**SUBJECT:**

REVISED OMNIBUS REGULATIONS GOVERNING THE FIDELITY BONDING OF ACCOUNTABLE PUBLIC OFFICERS (SECTIONS 313 – 335 CHAPTER 15, REVISED ADMINISTRATIVE CODE OF 1917)

**1.0 BASIS**

This Treasury Circular is issued pursuant to Sections 313-335, Chapter 15, otherwise known as Public Bonding Law, under the Revised Administrative Code of 1917, Executive Order No. 449 s. 1997 (Realigning the Organization of the Bureau of the Treasury) in relation to Government Auditing Code of the Philippines (P.D. 1445), Chapter IX Book V of the Administrative Code of 1987 (E.O. 292), and the Local Government Code of 1991 (RA 7160), SK Reform Act of 2015 (R.A. 10742); Anti-Red Tape Law (R.A. 9485); Ease of Doing Business Act of 2018 (RA 11032) .

**2.0 PURPOSE**

1. This Treasury Circular revises Treasury Circular No. 02-2009 pertaining to regulations promulgated for the effective bonding of accountable public officers pursuant to the provisions of the Public Bonding Law and to address other issues on fidelity bonding application/cancellation;
2. To streamline documentary requirements and re-engineer fidelity bonding procedures in compliance to Anti-Red Tape Law (R.A. 9485) and in relation to the Civil Service Commission (CSC) Memorandum Circular No. 14, s. 2016; and,
3. To delegate the approval of application/cancellation of Fidelity Bond and Confirmation Letter to the BTr District/Provincial Offices to comply with the Ease of Doing Business Act of 2018 (RA 11032).

**3.0 DEFINITION OF TERMS**

The following terms, whenever used in this Circular, shall have the following meaning:



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- a) **Authorized Government Depository Bank (AGDB)** – shall refer to banking institution where National Government Agencies (NGAs), Local Government Units (LGUs), Government-Owned or Controlled Corporations (GOCCs), and State Universities and Colleges (SUCs) are allowed by law to deposit Government Funds and maintain depository accounts, or by way of exception, a bank allowed by the Department of Finance (DOF) and the Monetary Board to hold government deposits subject to prescribed rules and regulations as outlined in Department of Finance Circular No. 01-2017 dated 11 May 2017, or its amendments or supplements.
- b) **Authority to Accept Payment (ATAP)** – shall refer to the form (Form 1: Annex A) issued by the Bureau of the Treasury to the fidelity bond applicant for presentation to the AGDB authorizing the receipt of payment of bond premium.
- c) **Bureau of the Treasury (BTr)** – shall refer to the agency under the Department of Finance, authorized under E.O 449 s. 1997 in relation to the Public Bonding Law, PD No. 1445 and E.O. 292, s. 1987 to issue fidelity bond to all accountable public officers.
- d) **Chief Treasury Operations Officer II (CTOO II)** – shall refer to the unit head of a BTr District/Provincial Office, including those designated as Officer-in-Charge.
- e) **Commission on Audit (COA)** – shall refer to the constitutional agency which implements the Government Auditing Code of the Philippines (P.D. No. 1445).
- f) **Confirmation Letter (CL)** – shall refer to the document (Form 2: Annex B) issued by the BTr DO/PO to the Head of Agency, stating the name of bonded accountable officer, amount of bond, risk number, station, and, the period of effectivity/cancellation of bond.
- g) **District Office (DO)** – shall refer to a division/unit of the BTr Regional Office in the National Capital Region.
- h) **Fidelity Bond** – shall refer to a bond secured by an accountable officer from the BTr in compliance with the Public Bonding Law and applicable requirements to assure the Government of the Republic of the Philippines of the faithful performance of all the duties and responsibilities imposed by law upon such accountable officer, and the faithful accounting of all public funds and property coming into his/her possession, custody or control.
- i) **Government Agency (GA) or Agency** – shall refer to any of the various units of the Government of the Republic of the Philippines including departments, bureaus, offices, agencies and instrumentalities, GOCCs, LGUs whether pertaining to the autonomous regions, the provincial, city, municipal, or





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barangay subdivisions or other forms of local governments, and SUCs or a distinct unit therein.

- j) Government Owned or Controlled Corporations (GOCC)** – shall refer to an entity organized as a stock or nonstock corporation, vested with functions relating to public needs whether governmental or proprietary in nature, and owned by the Government of the Republic of the Philippines directly or through its instrumentalities either wholly or, where applicable as in the case of stock corporations, to the extent of at least a majority of its outstanding capital stock, including Government Instrumentalities with Corporate Powers (GICP)/Government Corporate Entities (GCE).
- k) Head of Agency** – shall refer to the head of a Government Agency. For purposes of this Circular, the Head of Agency of a National Government Agency includes the unit head of a regional/provincial/division/district operating unit/office of such National Government Agency. For LGUs, the Local Chief Executive, such as the Regional Governor, Provincial Governor, City or Municipal Mayor, and, Punong Barangay, shall be deemed the Head of Agency.
- l) List of Due and Demandable Accounts Payable – Advice to Debit Account (LDDAP-ADA)** – shall refer to an accountable form integrating the ADA, which serves as instruction to Modified Disbursement System-Government Servicing Banks to debit specified amount, with the LDDAP which reflects the names of creditors/payees to be paid by the GA/Operating Units and the corresponding amount of their unpaid claims duly certified and approved.
- m) Local Government Units (LGU)** – shall refer to the political subdivisions established by or in accordance with the Constitution whether pertaining to the autonomous regions, the provincial, city, municipal, or barangay subdivisions or other forms of local governments.
- n) National Government Collection and Disbursement System (NGCDS)** – shall refer to the electronic front-end system owned and operated by the BTr for the processing of online application for Fidelity Bonding by accountable officers of Government Agencies.
- o) Public Bonding Law (PBL)** – shall refer to Sections 313 – 338, Chapter 15, Revised Administrative Code of 1917, or its amendments or supplements.
- p) Provincial Office (PO)** – shall refer to a division/unit of the BTr Regional Office except the National Capital Region.
- q) Public Funds** – shall refer to funds or public monies under the possession, custody or control of an accountable officer by virtue of his/her official position/designation, which include public monies of every sort and other





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financial resources, such as cash, instruments representing or convertible to money, receivable and the like, pertaining to the Government Agency.

- r) **Public Property** – shall refer to any personal property pertaining to the Government Agency in the possession, custody or control of an accountable officer by virtue of his/her position/designation.
- s) **Public Officer** – shall refer to any person who, by direct provision of the law, popular election or appointment by competent authority, shall take part in the performance of public functions in the Government of the Republic of the Philippines or shall perform in said Government or in any of its branches public duties as an employee, agent or subordinate official of any rank or class (Art. 203, Revised Penal Code).
- t) **Regional Director (RD)** - refers to the unit head of the BTr Regional Office including those acting as Officers-in-Charge.
- u) **State Universities or Colleges (SUC)** – shall refer to a chartered public educational institution under the supervision of Commission on Higher Education (CHED).
- v) **Treasurer of the Philippines (TOP)** – refers to head of the BTr and the officer authorized to issue the implementing rules and regulations on the Public Bonding Law.

## 4.0 GENERAL PROVISIONS

### 4.1 Coverage -

**4.1.1** Every officer, agent, and employee of the Government of the Republic Philippines, its agencies and instrumentalities, GOCCs, and SUCs, regardless of the status of their appointment, whenever the nature of the duties performed by such officer, agent or employee permits or requires the possession, custody or control of public funds or properties for which he/she is accountable, be deemed a bondable officer and shall be bonded or bondable and his/her fidelity insured.

**4.1.2** Every officer, agent, and employee of an LGU whose duties permit or require possession, custody or control of local government funds and properties, including but not limited to regional/provincial governors, city/municipal mayors, provincial/city/municipal/barangay/sangguniang kabataan treasurers, punong barangays, and sangguniang kabataan chairperson, including those employed as job order, contractual and casual employees, shall be accountable and responsible for said public funds and properties for the safekeeping thereof and shall be or his/her fidelity insured/bonded.





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**4.1.3** Accountable officers discharging their duties in a foreign country.

**4.1.4** Accountable officers who are secondarily accountable to a person who is primarily accountable to public funds and properties of his/her Government Agency.

**4.1.5** Public officers designated as authorized signatories, counter or alternate signatories in government bank accounts of his/her Government Agency, issuance of checks or Authority to Debit Account (ADA), approval of disbursement vouchers, and, those in custody of accountable forms.

**4.1.6** Head of any Government Agency who is immediately and primarily responsible for all government funds and property pertaining to his/her Agency.

**4.2 Accountability for Public Property** - Every officer, agent and employee of a Government Agency, who is accountable for public property shall be liable for its money value in case of improper or unauthorized use or misapplication thereof, by himself/herself or any person for whose acts he/she may be responsible. He/she shall likewise be liable for all losses, damages or deterioration due to negligence in the keeping or use of the property, whether or not it be, at the time of such loss, damage or deterioration, in his/her actual custody.

**4.3 Accountability for Public Funds** - Every officer, agent and employee accountable for public funds shall be liable for all losses resulting from the unlawful deposit, use, or application thereof, and for all losses attributable to negligence in the keeping of such funds.

**4.4 Accountability for Money, Property and Accountable Forms** - An accountable officer who has accountability for money, property and accountable forms shall be bonded only once to cover all accountabilities in accordance with the Schedule of Premium Rates.

**4.5 Accountability of Accountable Officers Acting on Orders of Superiors** - No accountable officer shall be relieved from accountability by reason of his/her having acted under the direction of a superior officer in paying out, applying or disposing of public funds or property which he is accountable, unless prior to that act, he notified the superior officer in writing of the illegality of the payment, application or disposition. The officer directing any illegal payment, application or disposition of public funds or property shall be primarily liable for the loss, damage or deterioration while the accountable officer, who fails to serve the required notice, shall be secondarily liable.





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**4.6 Extent of Liability and Condition of Bond** - An accountable officer whose fidelity is insured in the Fidelity Fund shall, from the moment he/she assumes the duties of the office, is considered bonded to the government for the faithful performance of all duties imposed upon him/her by law, and for the faithful accounting of all public funds and properties coming into his/her possession, custody or control by appropriation, collection, transfer or otherwise, as well as for the lawful payment, disbursement and expenditure or transfer of all such public funds or properties in his/her custody, possession or under his/her control as accountable or responsible officer (Sec. 318, PBL). The Fidelity Fund shall be available for the purpose of replacing defalcations, shortages, unrelieved losses in the accounts of bonded accountable officers, for the payment of fees and costs incident to civil proceedings brought against them to recover sums paid on their account from said Fund (Sec. 326, PBL).

**4.7 Effectivity of Bond** - The fidelity bond of an accountable officer whose application for bond has not been contested shall be valid and effective upon payment of bond premium for over-the-counter payments and approval of CL for online payments. The accountable officer shall submit to the BTr DO/PO a copy of the AGDB validated deposit slip/LDDAP-ADA and ATAP as proof of payment of bond premium. For advance payments, the effectivity shall be upon the maturity of existing fidelity bond.

**4.8 Effect of Approved Bond** – An approved fidelity bond shall be non-transferable and personal to the accountable officer and shall remain valid and effective for one (1) year, two (2) years or three (3) years from the date of over-the-counter payment or approval of CL for online payments. The fidelity bond shall be subject to renewal, before or 30 days prior to the expiration of the present bond coverage while the accountable officer is holding such position for which he/she was bonded. Failure to renew shall consider such bond as automatically cancelled and shall have no legal effect.

**4.9 Registry of Bonded Accountable Officers** – The BTr DO/PO shall maintain a Registry of Bonded Accountable Officers.

**4.10 Effect of Cancellation** - The cancellation of the bond for any cause allowed under this Circular before expiration date, has the effect of limiting the liability of the Fidelity Fund to the transactions within the period covered up to the time of its cancellation. The bond premium paid for the accountable officer whose bond is cancelled shall not be transferrable and not refundable.

**4.11 Effect of Separation from Office or Removal from Accountability** - When the bondable officer is separated from the service by reason of resignation or retirement, or relieved of accountability by reason of his/her removal or transfer to another position or government agency, the Head of Agency concerned shall immediately request the BTr DO/PO CTOO II for the cancellation of the fidelity





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bond. The cancellation of the bond shall take effect on the date of separation, relief or transfer.

## **5.0 AMOUNT OF BOND AND DETERMINATION OF PREMIUM**

**5.1 Amount of Bond** - The amount of bond shall be based on the total accountability (cash, property and accountable forms) of the accountable officer as determined by the Head of Agency. Provided, the individual maximum amount of bond of each accountable officer shall not exceed Eleven Million Pesos (P11M). However, the Head of Agency may assign to other accountable officers the excess accountability for which a separate Fidelity Bond shall be secured.

**5.1.1** A Barangay Treasurer shall be bonded in an amount of accountability to be determined by the Sangguniang Barangay: Provided, that the maximum amount of bond shall not exceed P10,000.00 as authorized by R.A. 7160 or at an amount which may or hereinafter be prescribed by any other law, premium for which shall be paid by the Barangay (Section 395(d), R.A. 7160).

**5.1.2** A Barangay Treasurer who is designated as Special Collecting and/or Special Disbursing Officer of public funds from other sources (e.g. KALAHI-CIDSS and other special projects) shall be bonded separately based on the amount of such accountability.

**5.2 Authority to Fix Schedule of Premium** - The TOP with the approval of the Secretary of Finance shall fix and, from time to time, review the uniform rate of the bond premium chargeable for insurance under the Public Bonding Law and this Circular.

**5.3 Rate of Premium** - The rate of premium of the fidelity bond is equal to One and One Half Percent (1.5%) of the amount of bond but shall not be less than One Hundred Fifty Pesos (P150.00). The Revised Schedule of Premium Rates (Annex C) shall form an integral part of this Circular until amended or revised.

## **6.0 DUTIES AND RESPONSIBILITIES OF THE HEADS OF AGENCIES/OFFICES OR PERSONS PRIMARILY ACCOUNTABLE**

**6.1 Primary Liability** - The head of any government agency at all levels, whether national, corporate or local is primarily responsible and accountable for all government funds and property pertaining to his/her agency.

**6.2 Duty to Notify** - The head of any government agency at all levels shall, upon appointment or lawful accession by any accountable officer to a bondable position or office pertaining to their respective jurisdiction, or separation therefrom of any such accountable officer, notify in writing the TOP through the





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BTr DO/PO having jurisdiction over the agency/office/GOCC/LGU/SUC within five (5) days from such appointment, lawful accession or separation and to submit the required application for bond or cancellation thereof, as applicable.

**6.3 Preferential Attention** - The immediate performance of the above duty shall receive preferential attention of such head of departments, bureaus and offices of the NG including GOCCs, SUCs, heads of LGUs, provincial and local treasurers and other officials concerned.

**6.4 Effect of Failure to Notify** - Failure on the part of the Head of Agency to make the required notification to the TOP through the concerned DO/PO shall render him/her primarily liable to any such loss or damage to public funds or properties their respective agency, province, city or municipality, barangay, as the case may be, may incur on account of such failure.

## **7.0 PROCEDURE FOR APPLICATION, RENEWAL AND CANCELLATION OF BOND**

### **7.1 Procedure for Application and Renewal**

**7.1.1** The applicant shall accomplish and submit online the Fidelity Bond Application Form (Form 3: Annex D) in the NGCDS Fidelity Bond Module. Two (2) copies shall be printed, subscribed and sworn to before any officer authorized to administer oath, attaching therewith two (2) passport size identification pictures taken within the last three (3) months prior to the date of application for submission to BTr PO/DO. The Fidelity Bond Application Form shall be accompanied by the following:

**7.1.1.1** List of Bonded Accountable Officer/s, to be generated from NGCDS Fidelity Bond Module, certified by the agency officer in charge of Administrative and/or Finance Department, Service, Division or unit (Form 4: Annex E).

**7.1.1.2** If an administrative or criminal case is still pending, copies of pertinent pleadings, orders and resolutions filed or issued by the disputing parties, prosecutor or investigatory offices and judicial bodies and all legal documents and orders relative to the said case together with an Affidavit/Undertaking setting forth the following that:

- a)** an Administrative or Criminal Case is still pending at the time the application for fidelity bond is made;
- b)** the case does or does not involve the misappropriation and/or malversation of public funds and/or misuse of

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public properties and other charges relative to public funds, properties and accountable forms;

- c)** the applicant shall furnish the DO/PO of the final decision or any appeal taken therefrom that may have occurred after the application of the bond and during the time that the bond is effective; and,
- d)** the applicant understands that his/her application is subject to thorough evaluation and legal review by BTr – Legal Service, for a maximum period of fifteen (15) days upon submission of complete documents, before a Confirmation Letter may be approved and issued by the CTOO II.

**7.1.1.3** For LGU applicants who are not included in the List of LGU Incumbent Officials with BTr DO/PO, a Certificate of Incumbency shall be secured from DILG Office in their respective Regions.

**7.1.2** The Fidelity Bond Application Form, together with required supporting documents, shall be filed with the BTr DO/PO having jurisdiction over the agency. The BTr DO/PO CTOO II or his/her representative shall verify, ascertain, and, determine the following if the:

**7.1.2.1** Fidelity Bond Application Form have been properly accomplished and in order;

**7.1.2.2** required supporting documents are complete and in order;

**7.1.2.3** name of the applicant appears on the list of bondable public officers submitted by the agency; and,

**7.1.2.4** Head of the Agency certifies that the applicant is a safe and conservative risk in accordance with Sec. 320 of the PBL.

**7.1.3** In case of non-compliance with Sec. 7.1.2 (Items. 7.1.2.1-7.1.2.4), the CTOO II shall return to the applicant the Fidelity Bond Application Form and its supporting documents for necessary correction/s and/or compliance. The CTOO II or his/her representative may require additional documents to support the application of an accountable officer that the CTOO II or his/her representative may deem necessary





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for its verification and evaluation. This may include but not limited to certification/s from other government or private agencies, offices or courts of law. In case the applicant is determined to be an unsafe risk, the CTOO II or his/her representative shall follow the procedures under Sec. 7.1.6.

The CTOO II or his/her representative shall issue the ATAP when Fidelity Bond Application Form and supporting documents are found complete and in order.

**7.1.4** If the applicant opts to pay the Fidelity Bond premium through electronic payment system (e.g. LBP Linkbiz), he/she shall submit the required documents under Sec. 7.1.1 (Items 7.1.1.1-7.1.1.3) together with the printed proof of payment for issuance of CL.

**7.1.5** If the applicant opts to pay Fidelity Bond premium through cash, check or LDDAP-ADA, he/she shall proceed to the nearest AGDBs for payment. Check payment for bond premium shall be for the account of the TOP. The CTOO II or his/her representative shall not, for any reason, receive payment of the bond premium. Violation hereof shall subject the CTOO II or his/her representative to appropriate sanctions as for grave misconduct defined and penalized under the Revised Uniform Rules in Administrative Cases in the Civil Service in relation to Rule XIV, Omnibus Rule of Implementing Book V of E.O. 292, s. 1987.

**7.1.5.1** The applicant shall submit and present to the concerned CTOO II or his/her representative a copy of the validated deposit slip and ATAP as proof of payment of the bond premium.

**7.1.5.2** The CTOO II shall approve all bond application upon proof of compliance under Sec. 7.1. CL shall be immediately released only upon proof of compliance under Sec. 7.1.6. Disapproval of bond application shall follow the procedures under Sec. 7.1.7 and contested bond application under Sec. 7.1.8.

**7.1.6 Unsafe Risk** - The concerned CTOO II or his/her representative shall evaluate the bond application to determine if the applicant is a safe and conservative risk in accordance with Sec. 320 of the PBL based on the certification of the Head of the Agency. When the CTOO II or his/her representative have the basis to prove that the applicant is an unsafe risk owing to character, association, or habits, the following procedures shall be followed:





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**7.1.6.1** The CTOO II or his/her representative shall submit the bond application to the RD with his/her recommendation for disapproval stating the basis thereof. When the recommendation of the CTOO II or his/her representative is affirmed by the RD, or the RD has reasons and basis to disapprove a favorable recommendation made by the CTOO II or his/her representative, the latter shall communicate the disapproval in writing to the Head of Agency of the applicant stating therein the factual and legal basis for such disapproval;

**7.1.6.2** The disapproval/decision of the RD maybe appealed by the concerned Head of Agency by filing a letter of appeal with the TOP within fifteen (15) days from the receipt of such disapproval/decision. The letter of appeal shall state clearly and distinctively the grounds and arguments of the appeal. A copy of the assailed written action/decision and disapproved bond application and its supporting documents shall be attached to the letter of appeal. The letter of appeal shall likewise be accompanied by a postal money order or MDS check in the amount of One Thousand Pesos (P1,000.00) as appeal fee payable to the TOP;

**7.1.6.3** Within five (5) days from receipt of the letter of appeal and appeal fee, the TOP shall require the CTOO II or his/her representative through the RD to elevate the entire records relating the disapproved bond application. The TOP shall have fifteen (15) days from receipt of the records from the DO/PO to resolve the appeal; and,

**7.1.6.4** The decision of the TOP shall be final and executory and not appealable.

**7.1.7 Applicant with Pending Case/s** – The CTOO II or his/her representative may, prior to affirming a disapproved application or approval of any CL may forward and recommend an application of accountable officer with pending case/s and all the documents supporting thereto to the BTr Legal Service for further evaluation and advise.

**7.1.8 Contested Application** – The application for Fidelity Bond by an accountable officer, may be contested by any person with interest to the said application within thirty (30) days after the approval and issuance of CL, for any of the following reasons:





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- 7.1.8.1** Accountable officer does not lawfully hold the said position/lawfully designated as such;
- 7.1.8.2** Existence of a pending case not declared by the applicant or the failure of the applicant or any officer to properly declare a pending case involving public funds, property and accountable forms; and,
- 7.1.8.3** Any valid and legal reasons which shall render the accountable officer an unsafe risk and of questionable integrity to hold public funds, properties or accountable forms, which shall be supported by proper documents.

The person contesting the application should inform the DO/PO concerned through a formal letter addressed to the CTOO II citing the reasons and attaching all supporting documents. The CTOO II shall forward the contested application to LS for evaluation through the RD. The LS shall make recommendation to the TOP through the DTOP which has jurisdiction over Regional operations.

Any contests not made after the prescribed period may not be entertained by the DO/PO concerned.

**7.2 Increase in Accountability** – Any increase in the amount of accountability, resulting to an increase in the amount of bond shall be subject to increase in premium.

- 7.2.1** The applicant shall follow procedure 7.1.1 indicating the new amount of accountability in the Fidelity Bond Application Form;
- 7.2.2** The amount of bond premium shall be computed based on the increased amount of bond. The bond shall take effect upon approval of the CL of the new bond application; and,
- 7.2.3** The CTOO II concerned shall cancel the previously assigned risk number.

**7.3 Cancellation –**

- 7.3.1** The Head of Agency or authorized representative shall immediately submit a written request for bond cancellation to the concerned BTr DO/PO CTOO II involving accountable officers who are no longer accountable by reason of retirement, separation from the service,





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promotion, transfer, suspension from office or for any other cause rendering them not bondable to their present position. The Head of Agency or authorized representative requesting for cancellation of the bond shall accomplish and submit online the Fidelity Bond Application Form in the NGCDS Fidelity Bond Module. Two (2) copies shall be printed, subscribed and sworn to before any officer authorized to administer oath, for submission to BTr POs/DOs.

**7.3.2** The CTOO II shall approve the request for bond cancellation and issue the corresponding CL.

## **8.0 ADJUDICATION AND PAYMENT OF CLAIM AGAINST THE FIDELITY FUND**

- 8.1 Application for Relief from Accountability** - When loss of public funds or property occurs while they are in transit or the loss is caused by fire, theft, or other casualty or force majeure, the accountable officer therefore having possession, custody or control thereof shall immediately notify the COA or the agency auditor concerned, and within thirty (30) days or such longer period as the COA may in the particular case allow, shall present this application for relief with the available supporting evidence.
- 8.2 Effect of Relief from Accountability by COA** - The relief from accountability of the accountable public officer granted by the COA shall relieve the agency from responsibility for the loss, damage to public funds or property.
- 8.3 Fidelity Fund; When Liable** – when no relief of accountability is granted by COA, the agency concerned may file claim for reimbursement from the Fidelity Fund to the extent of the approved bond covered or amount of loss whichever is lower.
- 8.4 Claims** – Any and all claims against the Fidelity Fund shall be filed as a money claim with COA, with copy to BTr together with the evidence relating thereto. Claims approved by the COA shall constitute a legal claim against the Fidelity Fund.
- 8.5 Requirements for Payment of Adjudicated Claim** – The agency shall file a claim for payment from the Fidelity Fund with the BTr, attaching therewith the favorable findings of COA. The BTr shall process the claim in accordance with existing budgeting, accounting & auditing rules and regulations.





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**8.5.1** In case of defalcation, shortages and unrelieved losses on the account of bonded public officer, the claim shall be supported by the following documents: and,

**8.5.1.1** Agency and COA findings and recommendation on the defalcation, shortages and unrelieved accountability; and,

**8.5.1.2** Other document/s which may be required by the BTr.

**8.5.2** In case of proven shortages and defalcation, the accountable officer responsible thereto should be removed or relieved of his/her duties without prejudice to civil, criminal or administrative cases to be charged; and,

**8.5.3** Only approved claims shall be paid from the Fidelity Fund.

**9.0 PENAL CLAUSE**

Unjustified failure of an accountable public officer to comply with the requirements to apply the Fidelity Bond pursuant to this circular and the PBL shall subject the responsible official/employee to applicable criminal, and/or administrative liability under the Revised Penal Code and PD No. 1445.

**10.0 REPEALING CLAUSE**

All circulars, orders and/or memoranda inconsistent herewith are hereby repealed and/or modified accordingly.

**11.0 EFFECTIVITY**

This Circular shall take effect immediately.

**ROSALIA V. DE LEON**  
Treasurer of the Philippines

019618



Republic of the Philippines  
 Department of Finance  
 BUREAU OF TREASURY - A5514  
 Office of the District/Chief Treasury Operations Officer II  
 DISTRICT I  
 \_\_\_\_\_  
 Address

To : THE MANAGER \_\_\_\_\_ ATAP NO. \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

### AUTHORITY TO ACCEPT PAYMENT

FOR DEPOSIT TO SAVINGS ACCOUNT OF THE TREASURER OF THE PHILIPPINES			
PAYING AGENCY		AREA CODE	
PAYING AGENCY CODE		DATE PREPARED	
ADDRESS		BILL NO. (YR-MONTH-NUMBER)	
COMPUTATION OF FIDELITY BOND PREMIUM DUE			
FUND CODE	TRANSACTION CODE	AMOUNT OF BOND (at 1.5% per annum / P 150.00)	AMOUNT
152	663	₱	₱
<b>TOTAL AMOUNT PAYABLE</b>			₱
PRPARED BY:		APPROVED BY:	
<b>FRANCIS KEVIN D. GARCIA</b> <b>Treasury Operations Officer II</b> _____ Signature over Printed Name and Position		<b>LOURDES S. TATING</b> <b>Officer-In-Charge, District I</b> _____ Signature over Printed Name and Position	
FOR BANK'S USE ONLY			
DETAILS OF PAYMENT			
PARTICULARS	DRAWEE BANK/NUMBER		
CASH			P
CHECK			
TOTAL PAYMENT RECEIVED			P
BANK MACHINE VALIDATION OF AMOUNT AND DATE			



Republic of the Philippines  
 Department of Finance  
**BUREAU OF THE TREASURY**  
National Capital Region  
 Regional Office

Transmittal No. \_\_\_\_\_

Date \_\_\_\_\_

**CONFIRMATION LETTER**

AGENCY CODE: \_\_\_\_\_

 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Sir:

This is to inform you that the request for bonding and/or cancellation of bonds of the following accountable officials and employees of your Office / Agency has been approved and duly entered in the Registry of Bonded Public Officers maintained by \_\_\_\_\_ **DISTRICT I** \_\_\_\_\_ of this Bureau.

(District/Provincial Office)

Name and Position of Bonded Public Officers	Station	Risk No.	Approved Amount of BOND	Effective Date	
				Bonding	Cancellation

The coverage of approved bond is one year from date of issue to be renewed on or before the anniversary date, otherwise bond is automatically cancelled.

Please notify this Office if there are changes in accountable officers or amount of accountability within the effective period of the bond.

Very truly yours,

**ROSALIA V. DE LEON**  
 Treasurer of the Philippines

By:

**LOURDES S. TATING**  
 Officer-In-Charge, District I

cc: COA Resident Auditor



## REVISED SCHEDULE OF PREMIUM RATES

### I CASH ACCOUNTABILITY

MINIMUM CASH ACCOUNTABILITY	MAXIMUM CASH ACCOUNTABILITY	AMOUNT OF BOND	BOND PREMIUM
5,001.00	9,000.00	75% of their Total Cash Accountability	Bond Premium shall not be less than P150
9,001.00	12,000.00	9,000.00	<b>150.00</b>
12,001.00	15,000.00	11,250.00	<b>168.75</b>
15,001.00	18,000.00	13,500.00	<b>202.50</b>
18,001.00	21,000.00	16,750.00	<b>251.25</b>
21,001.00	25,000.00	18,900.00	<b>283.50</b>
25,001.00	30,000.00	22,500.00	<b>337.50</b>
30,001.00	35,000.00	26,250.00	<b>393.75</b>
35,001.00	40,000.00	30,000.00	<b>450.00</b>
40,001.00	50,000.00	37,500.00	<b>562.50</b>
50,001.00	60,000.00	45,000.00	<b>675.00</b>
60,001.00	80,000.00	60,000.00	<b>900.00</b>
80,001.00	100,000.00	75,000.00	<b>1,125.00</b>
100,001.00	250,000.00	100,000.00	<b>1,500.00</b>
250,001.00	500,000.00	225,000.00	<b>3,375.00</b>
500,001.00	750,000.00	350,250.00	<b>5,253.75</b>
750,001.00	1,000,000.00	500,000.00	<b>7,500.00</b>
1,000,001.00	2,500,000.00	750,000.00	<b>11,250.00</b>
2,500,001.00	5,000,000.00	1,500,000.00	<b>22,500.00</b>
5,000,001.00	25,000,000.00	3,500,000.00	<b>52,500.00</b>
25,000,001.00	75,000,000.00	4,000,000.00	<b>60,000.00</b>
75,000,001.00	100,000,000.00	5,000,000.00	<b>75,000.00</b>
100,000,001.00	500,000,000.00	8,000,000.00	<b>120,000.00</b>
500,000,001.00	1,000,000,000.00	11,000,000.00	<b>165,000.00</b>

### II PROPERTY ACCOUNTABILITY

- |   |                          |                            |                  |
|---|--------------------------|----------------------------|------------------|
| 1. Property, Plant & Equipment (Net Book Value) | 30% of their Total Value | } Value rounded off to the | x 1.5% = Premium |
| 2. Inventories (per GAAM)                       | 50% of their Total Value |                            | x 1.5% = Premium |

### III FOR ACCOUNTABLE FORMS

- |   |  |                  |
|---|--|------------------|
| a) Internal Revenue Stamp                   | } 10% of their Total Value<br>Value Rounded Off to the nearest hundred | x 1.5% = Premium |
| b) Postage and other Standard Stamped Stock |  |                  |
| c) Official Receipt                         |  |                  |
| d) Other Accountable Forms and Valuables    |  |                  |





REPUBLIC OF THE PHILIPPINES  
KAGAWARAN NG PANANALAPI  
KAWANIHAN NG INGATANG-YAMAN  
(BUREAU OF THE TREASURY)

Form 3: Annex D  
Fidelity Bond Application Form  
(Revision No. xxx Date xxxxx)

RISK NUMBER

(to be accomplished by BTr Officer)

REQUEST FOR APPLICATION FOR BONDING AND/OR CANCELLATION OF  
FIDELITY BOND OF ACCOUNTABLE PUBLIC OFFICER

<b>INSTRUCTIONS:</b>			
1. ACCOMPLISH THIS FORM CORRECTLY		3. MARK APPROPRIATE BOXES <input type="checkbox"/> WITH CHECK <input checked="" type="checkbox"/> "✓"	
2. PRINT ENTRIES LEGIBLY IN CAPITAL LETTERS			
<b>TYPE OF APPLICATION:</b>		<b>OLD RISK NUMBER:</b>	
<input type="checkbox"/> NEW <input type="checkbox"/> RENEWAL <input type="checkbox"/> CANCELLATION, please proceed to Item Nos. 24-32		For Renewal	
<b>1. NAME</b>		<b>2X2 ID PHOTO</b>	
Surname _____ Given Name _____ Name Ext. (e.g., Jr.) _____ Middle Name _____			
<b>2. ADDRESS</b>			
<b>3. DATE OF BIRTH (mm/dd/yyyy)</b>			
<b>4. PLACE OF BIRTH</b>			
<b>5. SEX</b>		<b>7. CIVIL STATUS</b>	
<input type="checkbox"/> MALE <input type="checkbox"/> FEMALE		<input type="checkbox"/> SINGLE <input type="checkbox"/> WIDOWED	
<b>6. TIN</b>		<b>8. CONTACT NUMBER</b>	
		<input type="checkbox"/> MARRIED <input type="checkbox"/> SEPARATED	
<b>9. EMAIL ADDRESS</b>			
<b>10. MONTHLY INCOME (Salaries, allowances, business income and the like)</b>		<b>11. ESTIMATED MONTHLY EXPENSES</b>	
<b>12. Have you ever been separated from the service in any of the following modes: resignation, retirement, dropped from the rolls, dismissal, termination, end of term, finished contract or phased out (abolition) in the public or private sector?</b>			
<input type="checkbox"/> YES <input type="checkbox"/> NO			
If yes, give details: _____			
<b>13. a. Have you ever been found guilty of any administrative offense?</b>			
<input type="checkbox"/> YES <input type="checkbox"/> NO			
If yes, give details: _____			
<b>b. Have you ever been found guilty of criminal case before any court?</b>			
<input type="checkbox"/> YES <input type="checkbox"/> NO			
If yes, give details: _____			
Case No/s. _____			
Date Filed: _____			
Status of Case/s: _____			
<b>14. CHARACTER REFERENCE (Individual must not be related up to the fourth degree by consanguinity or affinity to applicant)</b>			
<b>NAME</b>		<b>ADDRESS</b>	<b>CONTACT NUMBER</b>
_____		_____	_____
_____		_____	_____
_____		_____	_____
<b>15. I declare that the answer to the foregoing questions are true to the best of my knowledge and belief. I fully understand that any misrepresentation made in this application and supporting documents shall cause the filing of administrative/criminal case(s) against me.</b>			
Government Issued ID		:	
ID/License/Passport Number		:	
Date/Place of Issue		:	
		Signature over Printed Name /Date Accomplished	
<b>16. SUBSCRIBED AND SWORN to before me this _____, affiant exhibiting his/her validly issued Government ID as indicated above.</b>			
Doc. No. _____			
Page No. _____			
Book No. _____			
Series of _____		Signature of Officer/Person Administering Oath	

<b>17. AMOUNT OF ACCOUNTABILITY</b>		<b>18. NAME OF OFFICE OR AGENCY</b>	
<div style="text-align: center; border-bottom: 1px solid black; margin-bottom: 5px;">AMOUNT OF ACCOUNTABILITY</div> <p><b>(a) Public Funds</b></p> <p>(1) As Collecting Officer P _____</p> <p>(2) As Disbursing Officer _____</p> <p>(3) As Signing Officer _____</p> <p>(4) Investment Officer (GS Investments) _____</p> <p><b>(b) Public Property</b></p> <p>(1) Inventories (per GAAM) P _____</p> <p>(2) Property, Plant &amp; Equipment (Net Book Value) _____</p> <p><b>(c) Forms and other valuables</b></p> <p>(1) Internal Revenue Stamps P _____</p> <p>(2) Postage and other Stamped Stock _____</p> <p>(3) Official Receipt _____</p> <p>(4) Others Forms and valuables _____</p> <p><b>TOTAL AMOUNT</b> P _____</p>		<p><b>19. ADDRESS OF OFFICE OR AGENCY</b></p> <p>_____</p> <p style="text-align: center;">Municipality/City Province</p> <p><b>20. STATION/DIVISION (Place of assignment)</b></p> <p>_____</p> <p><b>21. TITLE OF POSITION OR DESIGNATION</b></p> <p>_____</p> <p><b>22. DATE OF DESIGNATION OR ASSUMPTION OF ACCOUNTABILITY</b></p> <p>_____ Year _____ Month _____ Day</p> <p><b>23. BOND PERIOD COVERAGE</b></p> <p><input type="checkbox"/> One (1) year</p> <p><input type="checkbox"/> Two (2) years</p> <p><input type="checkbox"/> Three (3) years</p>	
THIS BLOCK TO BE FILLED ONLY IN CASE OF BOND CANCELLATION			
<b>24. OFFICE OR AGENCY AND STATION</b>			
<b>25. NAME OF OFFICERS TO BE RELIEVED</b>		<b>26. PRESENT POSITION OR DESIGNATION</b>	
<p>_____</p> <p style="text-align: center;">Surname Given Name Middle Name</p>		<p>_____</p>	
<b>27. AMOUNT OF BOND</b>		<b>28. RISK NUMBER AND EFFECTIVITY DATE</b>	
<b>29. DATE OF RELIEF</b>		<b>30. CAUSE OF RELIEF</b>	
<p>_____ Year _____ Month _____ Day</p>		<p>_____</p>	
<p><b>31. THIS IS TO CERTIFY THAT, as Head of Agency of _____, I verified the truthfulness of the answers to the questions contained on the face of this form and found them correct insofar as can be ascertained and that the applicant is a safe and conservative risk. Hence, the undersigned is recommending approval and authorizing the request for</b></p> <p><input type="checkbox"/> Application for Bonding</p> <p style="margin-left: 20px;"><input type="checkbox"/> New</p> <p style="margin-left: 20px;"><input type="checkbox"/> Renewal</p> <p><input type="checkbox"/> Cancellation of Bond</p> <p>of the above accountable public officer.</p> <p style="text-align: right;">_____ Signature over Printed Name of Head of the Agency/Date Accomplished</p>			
THIS BLOCK TO BE FILLED BY BTr ONLY			
<b>32. AMOUNT OF BOND RECOMMENDED</b>		<b>33. AMOUNT OF BOND PREMIUM PAYABLE</b>	
<p>This is to certify that I have carefully evaluated the request for _____ <input type="checkbox"/> APPLICATION <input type="checkbox"/> RENEWAL <input type="checkbox"/> CANCELLATION of Fidelity Bond of the above-mentioned accountable public officer.</p> <p>_____ Name &amp; Signature of BTr Officer</p> <p style="text-align: right;">_____ DATE</p>			



(AGENCY LETTERHEAD)

LIST OF BONDED ACCOUNTABLE PUBLIC OFFICER/S

NAME OF PUBLIC OFFICER	TYPE OF APPLICATION <i>(Check "✓" in the appropriate column)</i>		DESIGNATION <i>(e.g. Disbursing/Collecting/Signing Officer)</i>	PREVIOUS YEAR'S DATA			AMOUNT			PREFERRED BOND COVERAGE (1, 2, or 3 YEARS)	REMARKS <i>(WITH/WITHOUT PENDING ADMINISTRATIVE AND CRIMINAL CASE)</i>	
	NEW	RENEWAL		EFFECTIVITY DATE		RISK NO.	ACCOUNTABILITY	BOND	PREMIUM			
				From	To							
				<i>( For Renewal )</i>								

Prepared by:

Signature over printed name

Certified and Approved by:

Name & Designation of Authorized Official