Republic of the Philippines

**DEPARTMENT OF BUDGET AND MANAGEMENT**

**COMMISSION ON AUDIT**

**DEPARTMENT OF FINANCE**

UACS

**Unified Accounts Code Structure**

FAQs



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## What is the Unified Accounts Code Structure?

The Unified Accounts Code Structure or UACS is a government-wide harmonized budgetary, treasury and accounting code classification framework jointly developed by the Department of Budget and Management (DBM), the Commission on Audit (COA), the Department of Finance (DOF) and the Bureau of the Treasury (BTr) to facilitate reporting of all financial transactions of agencies including those for revenue generation.

## Why a UACS?

As a coding framework for financial transactions, the UACS ensures that all processes, from budgeting and cash management to accounting and audit will follow a single classification system or common language. The new codes will make it easier to collect, aggregate, consolidate and report financial transactions across government.

## Where will UACS be used?

Every IT system should adopt the UACS for the Budget Cycle—preparation, legislation, execution and accountability.

* + Budget Cycle – preparation, legislation, execution and accountability
	+ Reporting Appropriation, Allotment, Obligation, Disbursement
	+ Reporting of actual expenditure against budget appropriation and comparison of
	disbursements for programs/projects/activities with their approved appropriations
	+ Payroll, cash management and forward planning
	+ Performance Measurement

The UACS is the heart of the Government Integrated Financial Management Information System or GIFMIS that will collect and organize financial information in a central database to support budget preparation, management, execution and financial reporting or accounting and audit in a timely, accurate and efficient manner.

## Who will use the UACS?

The UACS will be used by all departments and agencies of the National Government including Constitutional Commissions/Offices, State Universities and Colleges and Government-Owned and/or Controlled Corporations with Budgetary Support from the National Government including those maintaining Special Accounts in the General Fund. It shall also be used for budget transfers to LGUs, i.e. IRA and Special Shares.

## How will UACS improve financial reporting?

Oversight and implementing agencies will share a common set of financial data and information for budgeting, procurement, cash management and treasury and accounting and auditing to aid analysis and decision making, and facilitate processing and timely availability of information.

## What are the reporting requirements that will be best served by the UACS?

6.1 Financial statements and reports required by DBM and COA,

6.2 Financial Statements required by the Public Sector Accounting Standards

Board of the Philippines,

6.3 Management reports required by the executive officials/heads of

departments and agencies, and

6.4 Economic statistics consistent with the Government Finance Statistics (GFS)

Manual 2011

## What document provides guidance on the use of the codes?

The codes are contained in the UACS Manual per COA-DBM-DOF Joint Circular No. 2013-1. The Manual is also available at the DBM website at [www.dbm.gov.ph](http://www.dbm.gov.ph).

## What policies and systems will be affected or need to be modified to implement UCAS?

Adoption of the General Appropriations Act (GAA) as a Budgetary Release Document; Review of existing Release Documents, Budget Execution Documents, and Financial Accountability Reports; and enhancement of COA’s eNGAS and eBudget systems. AGDB/Government Servicing Banks’ system on collections and disbursements of government funds also needs to be modified to make it UACS-compliant. New systems such as CHRIS and eNCS of the Bureau of the Treasury will also be modified.

## What are the key elements of the UACS and how many codes are there for each element?

More popularly known as FOLMO, the 5 key elements of the UACS with specified number of digits are the following: **F**unding Source (8), **O**rganization (12), **L**ocation (9), **M**ajor Final Output/Program, Activity and Project (15), and **O**bject (10). Each element is composed of segments. All in all, the UACS has 54 digits.

## Do we really need the 54-digit code to implement UACS?

Using the complete 54-digit code would depend on the agency’s requirements. There might be codes which may not be necessary or applicable. The GIFMIS, when fully operational, will use all the codes in capturing, processing and reporting on financial data and information of the various agencies. However, only applicable codes for each agency will be used.

## What are UACS users required to identify in facilitation data integrity of the Funding Source Code?

Two things should be identified: (a) source of funds in the case of foreign-assisted projects, i.e., which country or multilateral agency provided finance? (b) type of funds being given to GOCCs in the case of budgetary support, i.e., is it equity, subsidy or net lending?

## What is the business rule to facilitate data integrity of the organization?

If organizations are reassigned, (e.g. merging, splitting, consolidation, change in department attachment) all new coding numbers that apply shall be used. The old codes should never be reused so as to preserve transaction history of each agency.

## Under the UACS Location Code, are the codes the same codes that are being used now?

Yes. UACS adopts the National Statistical Coordination Board Philippine Standard Geographic Code. The complete list of location codes can be downloaded from the National Statistical Coordination Board (NSCB) website at [www.nscb.gov.ph](http://www.nscb.gov.ph/).

Currently, for Personnel Services (PS) and Maintenance and Other Operating Expenses (MOOE), the Location Code to be used is the physical location of the Office; and for Capital Outlay (CO), the physical location thereof.

This rule will be subject to further issuances in the future.

## In preparing the budget for execution, can we use the current chart of accounts of COA on object coding?

Yes, but the agency also has to use the Revised Chart of Accounts (RCA) of COA. The system is for use by all government agencies and departments. There is no need to memorize the codes since all the entries are in the dropdown menu. All one needs to do is to pick up the name and the account and put the corresponding amount in preparing the budget and reporting it.

## What are the key business rules for code management to preserve transaction history and to ensure financial and performance data for one year is comparable with data from other years?

* 1. Assigned codes are never reused for a purpose other than that for which they were originally assigned
	15.2 New codes are always to be assigned to new organization entities, fund sources, major final outputs, programs/activities/projects and object code descriptors.

## What are the responsibilities of the oversight agencies in the adoption of the UACS?

* 1. DBM – validation and assignment of new codes for funding source, organization, sub-object codes for expenditure items
	2. COA – consistency of account classification and coding structure with the

RCA

* 1. DOF-BTr – consistency of account classification and coding standards with

the Government Finance Statistics

* 1. DBM and Proponent Agency – validation and assignment of new Program,

Activity, Project codes

All heads of department/agencies and chiefs of financial and management

services shall ensure the proper adoption of all accounts classification and coding in the UACS manual.

## Who would address issues arising from the implementation of UACS?

The UACS Help Desk was developed as a single point of contact for financial users should there be any request for assistance for the proper implementation of UACS. The DBM Operations, including UACS Element Owners, will be responsible for the Help Desk. It will have a dedicated number or email address to respond to the issues of users. More so, it intends to provide analysis of frequently recurring problems and actions taken in response to these issues (Help Desk History).

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