

DRN: FMS-RPCD-A-COMM-20-03-37132-S

MEMORANDUM

FOR : ALL OFFICIALS AND EMPLOYEES
DSWD Central Office

FROM : THE DIRECTOR IV

SUBJECT : FINANCIAL MANAGEMENT GUIDELINES NO. 10 SERIES OF
2020: DIRECT PAYMENT TO SUPPLIERS/CREDITORS/
PAYEES/EMPLOYEES ACCOUNT THROUGH THE LDDAP-ADA

DATE : 6 March 2020

1. This pertains to DBM Circular Letter No. 2018-14 dated December 28, 2018 on Updated Guidelines in the Implementation of the Modified Direct Payment Scheme (MDPS) Due to Creditors/Payees of all National Government Agencies (NGAs).
2. The List of Due and Demandable Accounts Payable with Advice to Debit Account (LDDAP-ADA)¹ shall be used to pay all accounts payable chargeable against the Modified Disbursement System (MDS) account of the agency.
3. Payment through the LDDAP-ADA requires the following information:
 - a. Bank Account Name consistent with the creditor's/payee's name reflected on the Disbursement Voucher (DV) (Mirror Image Approach); and
 - b. Land Bank of the Philippines (LBP) account number (savings/current Peso account) and branch; or
 - c. Bank account number and branch of preferred servicing bank and address for non-LBP account holder (any bank service charges shall be paid by the creditors/payees)
4. **For employee's claims** such as reimbursement of travelling expenses including cash advances for official travel of DSWD officials and employees including job order and contract of service status **will be paid thru LDDAP-ADA and will be credited to their respective savings/payroll accounts maintained with LBP.**
5. All concerned officials and employees should ensure that savings/payroll account details enrolled with LBP is accurate and updated especially spelling such as the middle name/initial and the family name due to change of status, and that payee's name in the DV should be consistent with the bank account name. Changes and updates to be made to the payroll account should be coordinated with the HRMDS-Personnel Administration Division and FMS-Cash Division.

¹ Pursuant to Department of Budget and Management (DBM) Circular Letter Nos. 2013-16, 2013-16A and 2013-16B dated December 23, 2013, February 6, 2014 and February 25, 2014, respectively, regarding the Implementation of Expanded Modified Direct Payment Scheme (ExMDPS) for Accounts Payable (A/PS) Due Creditors/Payees of All National Government Agencies/Operating Units (NGAs/OUTs).




6. For suppliers/service providers and other creditors other than employees, may we require all Offices/Bureaus/Services/Units (OBSUs) to **provide or reflect the necessary bank account details in the contract/engagement document** and on the **face of the DV** including **contact details (Telephone number and Address)** to facilitate and ensure accuracy of direct payment details.
7. **A one-time submission of a clear and certified or duly endorsed copy** of any of the following documents is required for **newly engaged suppliers/service providers, resource persons and documenters, etc.**, showing the bank account details to avoid misspelled names and/or erroneous or unupdated account numbers which will cause delay in the crediting of funds:
 - a) Bank Account Information and Transaction Inquiry Print-out; or
 - b) Bank Statement; or
 - c) Passbook showing the complete account name and account number; or
 - d) Front portion of LBP or preferred servicing banks – Automated Teller Machine (ATM) card
8. As a general rule, **LBP shall effect payment to individual accounts of creditors within the next two (2) banking days² after receipt of the LDDAP-ADA.** However, submission beyond the cut-off time designated by LBP shall be considered submission on the following day.
9. The FMS is requesting the assistance of all concerned OBSUs to remind their engaged suppliers/service providers/creditors to issue Official Receipts (ORs) and/or Sales Invoice as evidence of receipt of payment through the LDDAP-ADA.

For information and guidance.


WAYNE C. BELIZAR

Certified True Copy:


ATTY. KARINA ANTONETTE A. AGUDO
OFFICER-IN-CHARGE
ADMINISTRATIVE SERVICE

² Under Item 3.7 of the General Guidelines of DBM Circular Letter No. 2018-14 dated December 28, 2018 - Updated Guidelines in the Implementation of the Modified Direct Payment Scheme (MDPS) Due Creditors/Payees of all National Government Agencies (NGAs)