

DRN: AMS-A-Comm-20-07-87-2175**MEMORANDUM**

FOR : **ALL HEADS OF OFFICES, BUREAUS, SERVICES**
Central and Field Offices

FROM : **THE UNDERSECRETARY**

SUBJECT : **FINANCIAL MANAGEMENT GUIDELINES No. 18, S. 2020, GUIDELINES ON THE PREPARATION OF SAP SUBSIDY PAYROLL AND THE RELATED LIQUIDATION REPORT FOR THE DISBURSEMENTS OF EMERGENCY SUBSIDY UNDER THE JOINT MEMORANDUM CIRCULAR No. 2, S. 2020**

I. RATIONALE

The Republic Act (RA) No. 11469, or the “Bayanihan to Heal As One” Act empowers the National Government to provide an emergency subsidy to eighteen (18) million low-income families amounting to a minimum of Five Thousand Pesos (PhP 5,000.00) to a maximum of Eight Thousand Pesos (PhP 8,000.00) a month for two (2) months based on the prevailing regional minimum wage rates.

On 09 June 2020, the Joint Memorandum Circular (JMC) No. 2, Series of 2020, or the Joint Implementing Guidelines for the Implementation of the Social Amelioration Program Second (2nd) Tranche was issued to provide directions to the concerned implementing agencies on how to proceed in the completion of the intents of RA 11469. Accordingly, the DSWD has promulgated Memorandum Circular No. 14, Series of 2020, which provided certain details and mechanisms to support the JMC.

Moreover, the DSWD has engaged Financial Service Providers (FSPs) in order to facilitate the payment of the emergency subsidies with the expert technical assistance of the Bangko Sentral ng Pilipinas (BSP). This partnership with the FSPs, who are players in the country’s payment industry, also aims to promote innovations in fund transfer mechanisms over the fast-growing electronic money business in the Philippines that would benefit Filipino consumers as envisioned at the BSP Circular No. 649, series of 2009.

II. LEGAL BASES

- A. Presidential Proclamation No. 922, Declaring a State of Public Health Emergency Throughout the Philippines;
- B. Republic Act (RA) No. 11469 or the Bayanihan Act;
- C. Inter-Agency Task Force for the Management of Emerging Infectious Diseases (IATF-EID) Resolution No. 31, S. 2020, dated 01 May 2020;

- D. DSWD Memorandum Circular No. 09 Series of 2020, Omnibus Guidelines in the Implementation of the Emergency Subsidy Program (ESP) of the DSWD;
- E. DSWD Memorandum Circular No. 14, Series of 2020, Special Guidelines in the Implementation of the Emergency Subsidy Program of the Department of Social Welfare and Development for the Additional Beneficiaries;
- F. Joint Memorandum Circular No. 2, Series of 2020, **or the Joint Implementing Guidelines for the Implementation of the Social Amelioration Program Second (2nd) Tranche** by the DSWD, Department of National Defense (DND), AFP, PNP, Department of Labor and Employment (DOLE), Department of Trade and Industry (DTI), Department of Agriculture (DA), Department of Finance (DOF), Department of Budget and Management (DBM), and the Department of Interior and Local Government (DILG); and
- G. Department of Justice (DOJ) Opinion addressed to the Secretary of the Department of Social Welfare and Development dated 29 June 2020.

III. GENERAL GUIDELINES

A. Approved Payroll

1. The Section VI. Deduplication of JMC No. 2, S. 2020, provides that “[T]he crossmatching of databases of all agencies that implemented SAP during the first tranche shall be employed by the DSWD to resolve the issue of duplication of assistance and enable it to produce the final list of beneficiaries that will be covered in the second tranche of the emergency” and, the DSWD MC No. 14, S. 2020, particularly Section VIII. Validation Process, has defined its deduplication process. Hence, prior to the preparation of the SAP payroll under the cited JMC, the following supporting documents must be available:
 - a. The masterlist of eligible SAP beneficiaries duly signed and certified by the local social welfare and development officer and the local chief executive;
 - b. Field Office (FO)-level deduplicated list of beneficiaries duly certified by the head of the Information and Communication Technology Management Unit (ICTMU) and verified by the Regional Director; and
 - c. Central Office (CO)-level deduplicated final list of beneficiaries duly certified by the Director of the Information and Communication Technology Management Service (ICTMS).
2. The final certified list of beneficiaries duly concurred by the Operations Cluster Head shall, then, be considered as the approved payroll – for the Central Office SAP disbursements – “without the need for further certification from the respective office, bureau, or program concerned.”¹
3. The SAP payroll shall have twelve (12) columns as follows:

¹ DSWD MC. No. 14, S. 2020, Sec. VIII (A. Validation Process), page 7

Column	Title	Particulars
A	No.	Chronological sequence number
B	First Name	
C	Middle Name	
D	Last Name	
E	Ext Name	Jr., Sr., etc.
F	Birthdate	MM/DD/YYYY
G	Address	At least Barangay and Municipal/City Address
H	ID Num	Driver's License or SAC ² number
I	Transactional Acct No. ³	Bank or mobile e-wallet account of beneficiary
J	Contact No.	Landline or mobile contact number
K	Amount	Amount of emergency subsidy
L	Description	"DSWD-SAP" or "Top up Subsidy" ⁴

Note: The columns **A** to **G** and columns **K** and **L** are mandatory requirements in the approved payroll while the other columns may be left blank, if the information is not available.

4. For the FO-level SAP disbursements, the final list of beneficiaries as certified by the ICTMS shall then be converted into a payroll with the concurrence of the following FO officials:
 - a. Policy and Plans Division Chief, as preparer;
 - b. Assistant Regional Director for Operations, as reviewer; and
 - c. Regional Director (RD), as approver.

Note: The signature of the RD will, however, be sufficient for the conversion of the certified list of beneficiaries into a payroll at the discretion of the FO.

B. Downloading of Funds to the Field Offices

1. As a general rule, the FO as expected to administer the emergency subsidies in geographically isolated and disadvantaged areas (GIDA) and conflict-affected areas (CAA).
2. Subject to the FM Guidelines No. 12, S. 2020, as amended, the Finance and Management Service (FMS) shall facilitate the release funding augmentation to the FOs on SAP as supported by the following documents:
 - a. Duly certified and verified FO-level (second level) deduplicated list of beneficiaries;
 - b. Duly certified and concurred CO-level (third level) deduplicated final list of beneficiaries; and
 - c. Operations Cluster Head-approved FO fund augmentation request.

² Social Amelioration Card

³ For ReliefAgad-registered beneficiaries with nominated account number

⁴ For DOLE-TUPAD #BKBK and DA Cash Assistance for Farmers

C. Disbursement or Pre-funding Disbursement of Emergency Subsidies through the partner Financial Service Providers (FSPs)

1. In general, except those beneficiaries located in GIDA and CAA, the preferred administration of the emergency subsidies is through digital or electronic payments by the Department’s selected partner FSPs.
2. The FMS shall process the disbursement or pre-funding disbursement of emergency subsidies through the FSPs as supported by the following documents:
 - a. Project proposal approved by the Secretary;
 - b. Certification from the FO that the attached of list of xxx number of beneficiaries, endorsed as eligible SAP beneficiaries by the local social welfare and development officer and the local chief executive, had undergone the FO-level (second level) deduplication process signed by the Regional Director;
 - c. Certification from the CO-ICTMS that the attached final list of xxx number of beneficiaries had undergone the CO-level (third level) deduplication process; and
 - d. Payroll of SAP Beneficiaries, based on the CO-ICTMS certified final list of beneficiaries, concurred by the Operations Cluster Head as eligible, unique and part or wholly covered in the certified final clean list of beneficiaries without duplicates by ICTMS.
 - e. The Operations Cluster Head shall further certify that the payrolls accompanying the endorsement and concurrence with xxx number of beneficiaries are prepared by strictly following the guidelines provided in Joint Memorandum Circular No. 2, Series of 2020-Joint Implementing Guidelines for the Implementation of the Social Amelioration Program for the Second Tranche and the Memorandum Circular No. 14 series of 2020 - Special Guidelines in the Implementation of the Emergency Subsidy Program of the Department of Social Welfare and Development for the Additional Beneficiaries.

D. FSP Liquidation Report

1. The FSP liquidation report must be submitted to the FMS containing the following columns:
 - a. The twelve (12) columns described at Sec. III (A) (3) above; and
 - b. Four (4) additional columns, to wit:

Column	Title	Particulars
M	Account Holder Validation	Contains either the values “TRUE” or “FALSE” If the validation is consistent, at least, on the First Name, Middle Name, Surname, Birthdate,



		Address and other mandatory fields, then, it will contain the value "TRUE," or else it will be "FALSE." Only when the above-cited information are validated and the transactional account had been created or validated by the SAP shall the final crediting to the SAP beneficiary's transactional account or a cash-out by the beneficiary be made.
N	Disbursement Status	Contains either the values "SUCCESSFUL" or "UNSUCCESSFUL"
O	Transaction ID	The transaction reference code related to the crediting to the SAP beneficiary's transactional account or the cash-out made by the beneficiary at the FSPs
P	Date and Time	Related to the Transaction ID

2. The FSP's liquidation report shall contain columns **A** to **P** and, these shall be signed and certified by its duly authorized signatories as stipulated in its Memorandum of Agreement (MOA) with the Department.
3. The FSP's liquidation report shall be submitted to the FMS in hard and soft copies and within the timeline as set at the MOA.
4. The order of listing the beneficiaries in the liquidation report shall be the same with the order of listing of the beneficiaries in the final payroll.

For your reference and strict compliance.

JOSE ERNESTO B. GAVIOLA

Noted by:

ROLANDO JOSELITO D. BAUTISTA
Secretary

Date: _____