

DRN: _____

MEMORANDUM

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

FROM : THE UNDERSECRETARY

DATE : AUGUST 6, 2020

**SUBJECT : FINANCIAL MANAGEMENT GUIDELINE No. 21, S. 2020,
GUIDELINES ON THE OPENING OF SAVINGS ACCOUNT OF
SPECIAL DISBURSING OFFICERS FOR THE IMPLEMENTATION
OF VARIOUS DSWD PROGRAMS AND PROJECTS**

I. RATIONALE

The Department of Social Welfare and Development (DSWD) implements various programs and projects that protect social welfare and rights of Filipinos and promote social development such as Social Pension for Indigent Seniors Citizens, Supplementary Feeding Program, among others. The implementation of these programs and projects was sustained through the conduct of cash payout to the beneficiaries wherein the cash requirements for the payout were funded through cash advance withdrawn by Special Disbursing Officers (SDOs); and the payout was administered together with the DSWD regional staff and City/Municipal Social Welfare and Development Office (C/MSWDO). Various schemes were also adopted such as fund transfer to Local Government Units and door-to-door delivery through engagement with the service providers.

The security of the SDOs in carrying huge amount of money while in transit to payout location in Municipality/City has been an issue raised during the conduct of various dialogues with the implementers such as the recent consultation with the Commission on Audit Auditors on CY 2019. It was proposed during the activity that SDOs may open a Savings Account for the purpose of withdrawing the cash requirement for payout in the respective Municipality/City. The adoption of the said strategy will address the inherent risk for the said payment scheme.

II. LEGAL BASIS**Presidential Decree No. 1445, Section 2, Declaring Policy**

It is the declared policy of the State that all resources of the government shall be managed, expended or utilized in accordance with law and regulations, and safeguard against loss or wastage through illegal or improper disposition, with a view to ensuring efficiency, economy and effectiveness in the operations of government. The responsibility to take care that such policy is faithfully adhered to rests directly with the chief or head of the government agency concerned.



III. OBJECTIVES

1. To mitigate inherent risk in the implementation of DSWD programs and projects through cash advance by the SDOs;
2. To provide guidance on the opening of SDO Savings Account;
3. To ensure that internal control is in place over the SDO cash advance deposited in their respective Savings Account; and
4. To ensure the control of DSWD over funds deposited in SDO Savings Account in case of any untoward incidence.

IV. COVERAGE

These guidelines cover cash advances for the implementation various DSWD programs and projects in DSWD Field Offices.

V. MECHANICS OF IMPLEMENTATION

1. The SDO shall open a no required minimum average daily balance and non-interest bearing Savings Account under his/her name maintained in the DSWD Field Office Authorized Servicing Bank to be utilized exclusively for the DSWD programs and projects;
2. The SDO shall sign a waiver stating that (a) they hold (or would hold) the funds deposited in the aforementioned account in trust for the DSWD and authorize the corresponding Regional Director for Field Offices to (b) look into and withdraw funds from such bank account in case of untoward incidence (Annex A);
3. All cash advances for the SDOs shall be deposited to the said account;
4. The Department shall grant the cash advance to the SDO equivalent to the budget for the payout of one Municipality only;
5. The grant of cash advance equivalent to budget for payout of more than one Municipality/City maybe allowed provided that the payout for multiple Municipality/City shall be conducted for a maximum of five (5) days inclusive of travel time;
6. The Field Office shall coordinate with the branches of Authorized Servicing Bank in respective City/Municipality to ensure availability of cash during the scheduled withdrawal of the SDO;
7. The SDO shall withdraw cash equivalent to one day payout only;
8. A day after the scheduled payout for a maximum of five days, all remaining cash advances shall immediately be refunded directly to the Bureau of Treasury account;



9. The validated deposit slip shall be attached to the liquidation report as a proof of refund. Also, a copy of passbook shall be attached to the liquidation report to ensure that no funds remained deposited to the Savings Account after the payout;
10. No additional cash advance shall be made unless the previous cash advance is fully liquidated and unless the bank account has remaining cash balance;
11. The Accounting Unit shall record the refund directly deposited to the Bureau of Treasury as: Debit – Cash Treasury, Agency Deposit, Regular and Credit – Advances to Special Disbursing Officer;
12. The Registry of SDO Savings Account shall be prepared, monitored and updated by the Cash Unit; and
13. Proof of closure of SDO Savings Account shall be required prior to the signing of clearance of the concerned SDO upon retirement or resignation. This should be monitored by the Cash Unit.

For your reference and strict compliance.

JOSE ERNESTO B. GAVIOLA

Noted by:

ROLANDO JOSELITO D. BAUTISTA

Secretary

Date: AUG 07 2020