

DRN: FMS-A-COMM-20-12-154895-S**MEMORANDUM**

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

**FROM : THE UNDERSECRETARY**

**SUBJECT : FINANCIAL MANAGEMENT GUIDELINES NO. 33, SERIES OF 2020:  
DESIGNATION OF CONTRACTUAL EMPLOYEES AS SPECIAL  
DISBURSING OFFICERS**

This pertains to the Department's request for temporary authority until the first quarter of CY 2021 to designate contractual employees as Special Disbursing Officers (SDOs). Please be informed that the Commission granted the request (**Annex A**), thus, contractual employees may be designated as SDOs until March 31, 2021 for the implementation of the following DSWD programs only:

1. Special Amelioration Program (SAP) under Bayanihan 1 and 2, i.e., Republic Act (RA) No. 11469 and RA No. 11494, respectively;
2. Assistance to Individuals in Crisis Situation (AICS);
3. Emergency Shelter Assistance (ESA);
4. Social Pension;
5. Cash for Work; and
6. Unconditional Cash Transfer.

In addition, please take note of the following conditions/actions to be complied with/undertaken by the DSWD as required by the Commission:

<b>CONDITION</b>	<b>ACTION/s NEEDED</b>
1. Only contractual employees who can take on the responsibility and accountability as shown in their work performance.	For this purpose, only those contractual employees with approved renewal of appointment for CY 2021 shall be designated as SDOs.
2. Orient and/or capacitate the selected contractual employees designated as SDOS as to their duties and responsibilities as well as their accountabilities, and have them sign an undertaking acknowledging and agreeing to such responsibilities and accountabilities.	Prior to the designation of the SDOs, the following documents, in addition to the minimum requirements, shall be needed: <ol style="list-style-type: none"><li>1. Certification issued to the contractual employee for the completion of the orientation on the proper handling of cash advances signed by the Head of the Finance and Management Service for Central/Office of the Assistant Regional Director for Administration (ARDA) for the Field Office (<b>Annex B</b>); and</li></ol>

<p>3. The contractual SDOs should be supervised by a permanently appointed and responsible DSWD official/employee.</p>	<p>2. Undertaking of acknowledgement and agreement to the SDO responsibilities and accountabilities (<b>Annex C</b>) signed by the contractual employee and the following officials:</p> <ul style="list-style-type: none"> <li>a. Immediate Supervisor with permanent status of appointment; and</li> <li>b. ARDA or the Regional Director, in the absence of the former, for the Field Offices; or</li> <li>c. Head of Office, Bureau or Service (HOBS) for the Central Office.</li> </ul>									
<p>4. Determine the amount of cash advance that each contractual SDO can handle.</p>	<p>Only contractual employees with <b>Officer position levels</b> shall be designated as SDOs. The Regional Director or the Central Office HOBS shall determine the amount of maximum cash advance.</p>									
<p>5. Ensure that the contractual SDOs are bonded, which bond should be adequate to cover the amount of the cash advance/accountability of the SDO.</p>	<p>The copy of the bond shall be attached as a supporting document to the Disbursement Voucher for the grant of cash advance.</p>									
<p>6. Require the contractual SDOs to submit the pertinent reports accounting for the cash advances.</p>	<p>All cash advances granted shall be <b>fully</b> accounted as follows:</p> <table border="1" data-bbox="683 1189 1394 1688"> <thead> <tr> <th>Particulars</th> <th>December 31, 2020</th> <th>March 31, 2021</th> </tr> </thead> <tbody> <tr> <td>Submission of Liquidation Report</td> <td>Until January 31, 2021 to be recorded in the books of accounts as of December 31, 2020</td> <td>Until February 28, 2021 to be recorded in the books of accounts as of March 31, 2021</td> </tr> <tr> <td>Refund of Unutilized cash advances</td> <td>Yes</td> <td>Yes</td> </tr> </tbody> </table>	Particulars	December 31, 2020	March 31, 2021	Submission of Liquidation Report	Until January 31, 2021 to be recorded in the books of accounts as of December 31, 2020	Until February 28, 2021 to be recorded in the books of accounts as of March 31, 2021	Refund of Unutilized cash advances	Yes	Yes
Particulars	December 31, 2020	March 31, 2021								
Submission of Liquidation Report	Until January 31, 2021 to be recorded in the books of accounts as of December 31, 2020	Until February 28, 2021 to be recorded in the books of accounts as of March 31, 2021								
Refund of Unutilized cash advances	Yes	Yes								

In summary, the following are the **additional** supporting documents for the grant of cash advance to the contractual employees designated as SDOs:

1. Approved renewal of appointment for CY 2021 for December 2020 cash advances;
2. Certification for the completion of the orientation on the proper handling of cash advances; and



3. Undertaking of acknowledgement and agreement to the SDO responsibilities and accountabilities.

For your reference and strict compliance.

**JOSE ERNESTO B. GAVIOLA**

WCB/JSC/218

**Annex A**

**Republic of the Philippines**  
**COMMISSION ON AUDIT**  
Commonwealth Avenue, Quezon City

*Office of the Chairperson***2 December 2020**

**HON. ROLANDO JOSELITO D. BAUTISTA**  
Secretary  
**Department of Social Welfare and Development**  
DSWD Central Office  
IBP Road, Batasan Pambansa Complex  
CONSTITUTION HILLS  
Quezon City 1126

Dear Secretary Bautista:

We refer to your letter requesting for temporary authority until the first quarter of CY 2021 to designate contractual employees as Special Disbursing Officers (SDOs) for the implementation of various DSWD programs, as follows:

- a. Special Amelioration Program (SAP) under *Bayanihan* 1 and 2, i.e., Republic Act (RA) No. 11469 and RA No. 11494, respectively;
- b. Assistance to Individuals in Crisis Situation (AIC3),
- c. Emergency Shelter Assistance (ESA);
- d. Social Pension;
- e. Cash for Work; and
- f. Unconditional Cash Transfer.

The request is premised on the following:

1. The limited number of employees and the higher number of contractual employees that can supplement the former as program SDOs;

2. The urgency at which the President has instructed the DSWD to complete the payouts, especially for the *Bayanihan 2* recovery measures;
3. The increasing number of calamities encountered starting on the 4<sup>th</sup> quarter of 2020 needing cash payouts for the disaster response and rehabilitation programs of the DSWD; and
4. The experienced limitation at maximizing the presence of the DSWD's partner Financial Service Providers at the SAP implementation due to the lack of mobile numbers of most of the beneficiaries.

We respond presently.

Section 4.1.4 of COA Circular No. 97-002 dated 10 February 1997 states that "Only permanently appointed officials shall be designated as disbursing officers."

Meanwhile, Section 4.1 of Treasury Circular No. 02-2009 dated August 6, 2009 provides that every government employee, regardless of the status of their appointment shall, whenever the nature of the duties performed by such employees permits or requires the possession, custody or control of funds or properties for which he is accountable, be deemed a bondable officer and shall be bonded or bondable and his fidelity insured.<sup>1</sup>

In view of the peculiar circumstances arising from the COVID-19 pandemic, and the aforementioned Treasury Circular, which allows the bonding of government employees regardless of status of appointment, the Commission is of the view that the request may be granted provided that the following proposed/recommended conditions/actions be complied with/undertaken by the DSWD:

1. Determine which contractual employees should be designated as SDOs, i.e., those who can take on the responsibility and accountability as shown in their work performance;
2. Orient and/or capacitate the selected contractual employees designated as SDOs as to their duties and responsibilities as well as their accountabilities, and have them sign an undertaking acknowledging and agreeing to such responsibilities and accountabilities;
3. Determine the amount of cash advance that each contractual SDO can handle, i.e., based on each one's capacity to account therefor;
4. Ensure that the contractual SDOs are bonded, which bond should be adequate to cover the amount of the cash advance/accountability of the SDO, i.e., in accordance with the schedule of cash accountability and bond issued by the Bureau of the Treasury;

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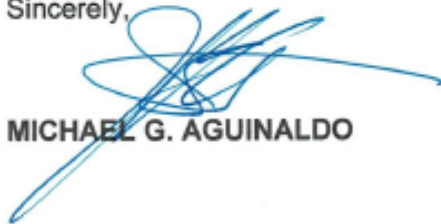
<sup>1</sup> Sections 314 and 318, Public Bonding Law

5. Require the contractual SDOs to submit the pertinent reports accounting for the cash advances; and
6. The contractual SDOs should be supervised by a permanently appointed and responsible DSWD official/employee.

While the Commission recognizes the challenges and difficulties of the DSWD to complete the payouts under the *Bayanihan Act 2* due to the ongoing pandemic, and the cash payouts for the disaster response and rehabilitation programs of the DSWD due to the limited number of permanent employees to be designated as SDOs, the Commission is of the opinion that the foregoing recommendations are in order for the safeguard of government funds.

We trust this sufficiently addresses your concerns.

Sincerely,



**MICHAEL G. AGUINALDO**



### CERTIFICATION

This is to certify that \_\_\_\_\_ **NAME** \_\_\_\_\_, \_\_\_\_\_ **POSITION** \_\_\_\_\_, with Contractual Appointment, has satisfactorily completed the orientation on the rules and regulations on the granting, utilization and liquidation of cash advances as well as the duties, responsibilities, and accountabilities of Special Disbursing Officers (SDOs) conducted last \_\_\_\_\_.

This certification is issued for the granting of cash advance as SDO.

\_\_\_\_\_  
Designation  
Date: \_\_\_\_\_



**Annex C**

**UNDERTAKING**

This undertaking is issued in order to acknowledge my designation as Special Disbursing Officer per Special Order No. \_\_\_\_\_, series of \_\_\_\_\_, dated \_\_\_\_\_.

In addition, I agree that as SDO, I have specific duties, responsibilities and accountabilities pursuant to Commission on Audit Circular No. 97-002, dated February 10, 1997.

**Signed:**

Name: \_\_\_\_\_  
Position: \_\_\_\_\_  
Date: \_\_\_\_\_

**To be Supervised by:**

Immediate Supervisor<sup>1</sup>: \_\_\_\_\_  
Position: \_\_\_\_\_  
Date: \_\_\_\_\_

**Noted by:**

Name<sup>2</sup>: \_\_\_\_\_  
Position: \_\_\_\_\_  
Date: \_\_\_\_\_

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<sup>1</sup> Name of Immediate Supervisor with permanent status of appointment

<sup>2</sup> Assistant Regional Director for Administration or the Regional Director, in the absence of the former, for the Field Offices or the Head of Office, Bureau or Service for the Central Office