

DRN: ~~FMS-RPAD-A~~ COMM-21-03-34263-C**MEMORANDUM**

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

FROM : THE UNDERSECRETARY

DATE : 05 MARCH 2021

SUBJECT : FINANCIAL MANAGEMENT GUIDELINE No. 10, S. 2021, 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of cash payout to the beneficiaries wherein the cash requirements for the payout were funded through cash advance withdrawn by Special Disbursing Officers (SDOs); and the payout was administered together with the DSWD FO's staff and City/Municipal Social Welfare and Development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 location in the 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**1. 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 look into and withdraw funds from such bank account in case of untoward incidence (Annex A);
3. All cash advances of SDOs with the aforementioned savings account shall be deposited to the said account;
4. Only cash advances from the Department for the implementation of programs and projects shall be deposited to the said account. No other transaction shall be allowed for deposit to the same.
5. The Department shall grant the cash advance to the SDO equivalent to the budget for the payout of one Municipality only;
6. 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 ten (10) days exclusive of travel time;
7. 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;
8. The SDO shall withdraw cash equivalent to one-day payout only;
9. The Regional Director may allow the withdrawal of cash equivalent to a two-day payout amount provided that the travel time required from the nearest bank branch to the payout site is more than one hour.

10. A day after the scheduled payout for a maximum of ten days, all remaining cash advances, both cash on hand and cash still deposited in the SDO account, shall immediately be refunded directly to the Bureau of Treasury account.
11. To cater beneficiaries with unpaid grants after the payout period due to various reasons, such as beneficiaries not showing on the scheduled payout activity, another cash advance may be drawn by the SDOs. This may form part of the next cash advance for the succeeding payout activities.
12. 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;
13. No additional cash advance shall be made unless the previous cash advance is fully liquidated and unless the bank account has remaining cash balance;
14. 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;
15. The Registry of SDO Savings Account shall be prepared, monitored and updated by the Cash Unit;
16. 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;
17. Any cash balance still deposited in the SDO account at the end of the year shall not be declared as an asset of the SDO in his/her Statement of Assets, Liabilities, and Net Worth as of the end of the year.
18. In Calendar Year (CY) 2021, the implementation of this FMG is optional based on the professional judgment of the Regional Director.
19. Before the end of CY 2021, GASSG shall assess whether this FMG shall be mandatorily implemented in CY 2022 or shall still be implemented in an optional basis.

For your reference and strict compliance.


JOSE ERNESTO B. GAVIOLA

Noted by:


ROLANDO JOSELITO D. BAUTISTA

Secretary

Date: MAR 15 2021

DECLARATION OF TRUST

I, _____, Filipino, of legal age, hereby –

DECLARE that –

1. I am currently employed in the Department of Social Welfare and Development (DSWD), a National Government Agency with office located at _____;
2. I am currently designated as a Special Disbursing Officer for the implementation of DSWD programs and projects;
3. As a Special Disbursing Officer, I have opened a bank account with the following details:
Account Name: _____
Account Number: _____
Name of Servicing Bank: _____
Bank Address: _____
4. The DSWD is the beneficial owner of the funds in the above Bank Account, and I am merely holding these funds in trust of the DSWD;
5. I am waving my rights for the above bank account on the Republic Act No. 1405 also known as "An act prohibiting disclosure of or inquiry into, deposits with any banking institution and providing penalty therefor".

UNDERTAKE to –

1. Use the funds in the Bank Account solely for the cash pay-out of DSWD programs and projects;
2. Dutifully liquidate all the disbursed funds in accordance with all applicable regulations of DSWD and other oversight Philippine agencies;
3. Return unutilized funds to the DSWD or directly to the National Treasury after the conduct of the cash pay-out;

AUTHORIZE –

1. The DSWD Secretary, the DSWD Regional Directors, Assistant Regional Director for Administration, Assistant Regional Director for Operation and the Director of the Finance and Management Service, and their duly authorized representatives, to inquire about the details of the Bank Account;
2. The Regional Director of DSWD Field Office _____, and his/her authorized representative, to transfer the funds in the Bank Account to the DSWD or directly to the National Treasury.

DATE AND PLACE: _____

SDO, SIGNATURE OVER PRINTED NAME

With consent:

SDO SPOUSE, SINATURE OVER PRINTED NAME

WITNESSESS

LBP Branch Manager

DSWD Authorized Official

ACKNOWLEDGEMENT

BEFORE ME, on the above date and place, personally appeared the DSWD Special Disbursing Officer mentioned above, and who showed me the following Competent Proof of Identity:

NAME	ID DETAILS

Known to me to be the same person who executed this Declaration of Trust and acknowledged to me that his/her free act and deed.

Doc. No. _____
Page No. _____
Book No. _____
Series of _____

NOTARY PUBLIC