

DRN: FMS-ADRP-A-COMM-22-11-88346-S

FMS DECT 22 11 15:52:48

MEMORANDUM

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

FROM : THE UNDERSECRETARY FOR FINANCE UNDER GASSG

**SUBJECT : FINANCIAL MANAGEMENT GUIDELINE NO. 32 : SIGNING
AUTHORITY OF FINANCIAL DOCUMENTS OF THE OFFICER-IN-
CHARGE**

DATE : 02 December 2022

This pertains to the authority of Officer-in-Charge (OIC), in accordance with the Order of Succession, in the signing Disbursement Voucher (DV), which Legal Service considered as an exercise of discretion and not just administrative function. In the Legal Service memorandum dated 08 November 2022¹, it categorically expressed that:

*“We are of the opinion that the signing of Box D (Approval for Payment of Disbursement Voucher) under the 2019 DSWD Manual of Delegation and Delineation of Authority entails **the exercise of discretion, hence, not merely administrative in nature.**”*

Relatedly, a memorandum from HRDMS dated 23 November 2022² was received by the FMS regarding the Inclusion of Discretionary Function in the Order of Succession, pursuant to Section 13(c) of the Civil Service Commission (CSC) Memorandum Circular (MC) No. 14, series of 2018 or the Omnibus Rules on Appointment and other Resources Actions, Revised July 2018, provides that:

“Officials designated as Officer-in-Charge enjoy limited powers which are confined to function of administration and ensuring that the office continues its usual activities. The OIC may not be deemed possess the power to appoint employees as the same involves exercise of discretion which is beyond the power of an OIC, unless a designation order issued by the proper appointing officer/authority expressly includes the power issue appointment”

¹ Annex B: Request for Legal Opinion on the Administrative Function

² Annex A: Request for Comments on the Inclusion of Discretionary Function in the Order of Succession

Furthermore, the FMS had submitted its opinion that signing of Box A's of both the ORS and the DV are considered as discretionary actions as it requires the following certification from the signatories:

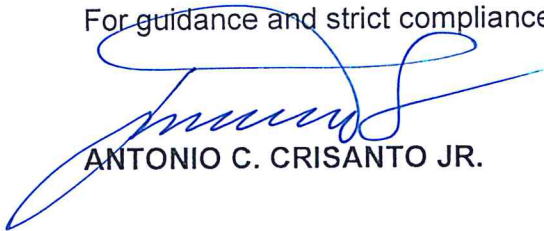
Box A of ORS	Charges to appropriation/allotment necessary, lawful and under my direct supervision; and supporting documents valid, proper and legal
Box A of DV	Expense/Cash Advance necessary, lawful and incurred under my direct supervision

With the foregoing, the GASSG-Finance mandates the following as discretionary functions:

1. Signing of Box A of the ORS
2. Signing of Box A of the DV; and
3. Signing of Box D of the DV.

Accordingly, all affected Special Orders are required to be amended as may be deemed necessary by the Head of the Offices, Bureaus, and Services. As a transition mechanism, all related financial documents that may be signed by OICs without express authority will be returned effective January 03, 2023.

For guidance and strict compliance.



ANTONIO C. CRISANTO JR.

DRN: LS-L-LO-22-11-71632-C

MEMORANDUM

FOR : **DIRECTOR WAYNE C. BELIZAR**
Finance and Management Service

FROM : **THE DIRECTOR IV**
Legal Service

SUBJECT : **REQUEST FOR LEGAL OPINION ON THE ADMINISTRATIVE**
FUNCTION

DATE : **08 NOVEMBER 2022**

This pertains to your MEMORANDUM dated 17 October 2022, requesting for our legal opinion on whether the signing of Box D (Approval for Payment of Disbursement Voucher) found under the 2019 DSWD Manual of Delegation and Delineation of Authority (*page 23*) is considered as an **“administrative function”** that may be exercised by the designated Officer-in-Charge (“OIC”), in accordance with the Order of Succession. Please see our comments below.

We note that the confusion appears to arise when you refer to the various Special Orders (“SO”) issued by the Secretary of Social Welfare and Development concerning the order of succession in the different offices within the Department, wherein the authority of the designated OICs is **limited** to the mere exercise of “administrative functions”.

Further, we observed that in your Memo-request you failed to identify the **specific description** you are referring to, under Box D. Thus, to clarify things, we have consulted your staff, Ms. SHEILA H. LAMBERTE regarding the matter. She then informed us that **all the descriptions** stated in the subject Box D, are within the jurisdiction of the Finance and Management and Service (FMS).

Foremost, we deemed it appropriate to define the parameters of “administrative functions”, as its definition is determinative of our legal advice. Hence, we sought the guidance of the Civil Service Commission (“CSC”), as the central personnel agency of the government, on the concrete definition of “administrative function”.

However, the CSC did not specifically provide for the definition of administrative function. Instead, they forwarded to us a Resolution¹ issued by the Commission and a copy of the 2017 Omnibus Rules on Appointment and Other Human Resource Actions (Revised July 2018), as our reference on the matter.

¹Resolution No. 000778 dated 24 March 2000, VITRIOLO Julito D. Re: Query; Position Title; Nomenclature Distinction between Acting and OIC

In the CSC Resolution, the Commission mentioned the case of Aytona vs. Castillo, *et al.*,², wherein the court ruled in the said case that a designated Officer-in-Charge is considered merely as a “caretaker” of the Office while the regular incumbent is on leave of absence. An OIC does not possess the power to appoint, and if he does, such act is null and void ab initio. An Officer-in-Charge **does not exercise powers involving discretion of the regular incumbent. The rights and privileges of the latter do not normally descend upon the former unless specifically indicated or stated in the designation.**

Meanwhile, in addition to the pronouncement made by the CSC as discussed in the preceding paragraph, we believe that there are other **factors which may be considered as justifying circumstances** in order to determine and conclude that an act involves the exercise of discretion, such as the power to make a choice about **[a]** whether to act or not act; **[b]** to approve or not approve; and **[c]** to approve with conditions.

Evidently, those duties and responsibilities as mentioned in Box D entails the **application and exercise of discretion**, as there is a need on the part of the OIC to make **sound judgments** on whether to sign or not the descriptions taking into account all relevant information.

We further observed that those enumerated in Box D involves **large amounts or substantial financial matters** which we opine, that such facts alone indicate that it does not merely involve “administrative functions”.

Lastly, we would like to emphasize that Administrative Order No. 16 Series of 2019 entitled “2019 Delegation and Delineation of Authority”, expressly provides for the **list of approving authorities in Box D**. here, the authorized signatories may vary as their authority to sign is dependent on the type of description being requested.

In view of the above, we are of the opinion that the signing of Box D (Approval for Payment of Disbursement Voucher) under the 2019 DSWD Manual of Delegation and Delineation of Authority entails the **exercise of discretion, hence, not merely administrative in nature.**

Please fill-out the attached Customer Feedback Form and return the same to the Legal Service.

For your consideration.


ATTY. MEGAN THERESE Y. MANAHAN

CMUG/MATA/10066

² GR No. L-19313, January 19, 1962.