



MC No. 10, s. 2006

MEMORANDUM CIRCULAR

TO: ALL HEADS OF DEPARTMENTS, BUREAUS, OFFICES AND AGENCIES OF THE NATIONAL AND LOCAL GOVERNMENTS, STATE COLLEGES AND UNIVERSITIES, INCLUDING GOVERNMENT-OWNED AND CONTROLLED CORPORATIONS WITH ORIGINAL CHARTERS

SUBJECT: Review and Compliance Procedure in the Filing and Submission of the Statement of Assets, Liabilities and Networth and Disclosure of Business Interests and Financial Connections

Section 12 of Republic Act 6713 (Code of Conduct and Ethical Standards for Public Officials and Employees) mandated the Civil Service Commission to promulgate rules and regulations to carry out the provisions of the said Act. Pursuant thereto, the Commission promulgated the "Rules Implementing the Code of Conduct and Ethical Standards for Public Officials and Employees" (RULES) on May 27, 1989.

Rule VII of the RULES requires public officials and employees to accomplish and file under oath their statement of assets, liabilities and networth (SALN) and disclosure of business interests and financial connections, including those of their spouses and unmarried children under eighteen (18) years of age living in their households.

Rule VIII of the same RULES authorizes certain officials of the Legislative, Executive and Judicial Departments, and the Constitutional Commissions and Offices to establish compliance procedures for the review of statements in the SALN to determine whether said statements have been properly accomplished. The said officials are also authorized to render any opinion interpreting the provisions on the review and compliance procedures and make a determination on whether a statement is properly filed. If a statement is not properly filed, they are required to inform the reporting individual and direct him/her to take the necessary corrective action.

The Commission, however, recognizes the need to clarify and amend the aforementioned Rule VIII of the RULES in order to properly effectuate the said provision and establish a standard review and compliance procedure to be observed by all public officials and employees in the filing and submission of the SALN.

Hence, in CSC Resolution No. 06-0231 dated February 1, 2006, the Commission adopted the attached "Review and Compliance Procedure in the Filing and Submission of the Statement of Assets, Liabilities and Networth and Disclosure of Business Interests and Financial Connections". Said Resolution was published on April 7, 2006 in the Philippine Star and shall be effective fifteen (15) days thereafter or on April 23, 2006. Following its effectivity, the said guidelines shall govern the filing and submission of the SALN by all concerned government officials and employees.

In view hereof, all existing Civil Service rules and regulations, circulars and memoranda inconsistent herewith are deemed repealed or modified accordingly.


(Sgd.) **KARINA CONSTANTINO-DAVID**
Chairperson

April 17, 2006

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**Review and Compliance Procedure in the Filing and Submission
of the Statement of Assets, Liabilities and Networth and Disclosure
of Business Interests and Financial Connections**

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RESOLUTION NO. 060231

WHEREAS, Republic Act No. 6713 was enacted on February 20, 1989 to establish a Code of Conduct and Ethical Standards for Public Officials and Employees, upholding the time-honored principle of public office being a public trust, granting incentives and rewards for exemplary service, enumerating prohibited acts and transactions and providing penalties for violations thereof and for other purposes;

WHEREAS, Section 12 of R.A. 6713 mandated the Civil Service Commission to promulgate rules and regulations necessary to carry out the provisions of said Act;

WHEREAS, the "Rules Implementing the Code of Conduct and Ethical Standards for Public Officials and Employees" (RULES) was promulgated by the Commission on May 27, 1989;

WHEREAS, Rule VII of the RULES requires public officials and employees to accomplish and file under oath their statement of assets, liabilities and networth (SALN) and disclosure of business interests and financial connections, including those of their spouses and unmarried children under eighteen (18) years of age living in their households;

WHEREAS, Rule VIII of the same RULES authorizes certain officials of the Legislative, Executive and Judicial Departments, and the Constitutional Commissions and Offices to establish compliance procedures for the review of statements in the SALN to determine whether said statements have been properly accomplished. The said officials are also authorized to render any opinion interpreting the provisions on the review and compliance procedures and make a determination on whether a statement is properly filed. If a statement is not properly filed, they are required to inform the reporting individual and direct him/her to take the necessary corrective action;

WHEREAS, in order to properly effectuate the aforementioned provision and establish a standard review and compliance procedure to be observed by all public officials and employees in the filing and submission of the SALN, there is a need to clarify and amend Rule VIII of the RULES;

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Board Secretary V
Commission Secretariat & Liaison Office

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NOW, THEREFORE, the Commission hereby adopts and promulgates the following rules to serve as an amendment to Rule VIII of the Rules Implementing the Code of Conduct and Ethical Standards for Public Officials and Employees:

I. Rule VIII is hereby amended to read, as follows:

"Rule VIII. Review and Compliance Procedure in the Filing and Submission of the Statements of Assets, Liabilities and Networth and Disclosure of Business Interests and Financial Connections

"Section 1. Filing and Submission of SALN on Time and to the Proper Official

a. All public officials and employees, except those who serve in an official honorary capacity, without service credit or pay, temporary laborers and casual or temporary and contractual workers, shall file under oath their SALNs and Disclosure of Business Interests and Financial Connections with their respective Chief or Head of the Personnel/Administrative Division or Unit/Human Resource Management Office (HRMO), to wit:

1. Within thirty (30) days after assumption of office, statements of which must be reckoned as of his/her first day of service;
2. On or before April 30 of every year thereafter, statements of which must be reckoned as of the end of the preceding year, and
3. Within thirty (30) days after separation from the service, statements of which must be reckoned as of his/her last day of office.

b. Public officials and employees under temporary status are also required to file under oath their SALNs and Disclosure of Business Interests and Financial Connections in accordance with the guidelines provided under these rules.

c. Public officials and employees are strictly required to fill in all applicable information and/or make a true and detailed statement in their SALNs.

Section 2. Duties of the Chief/Head of the Personnel/Administrative Division or Unit/HRMO

Upon receiving the SALN forms, the Chief/Head of the Personnel/Administrative Division or Unit/HRMO shall evaluate the same to determine whether said statements have been properly accomplished. A SALN is deemed properly accomplished when all applicable information or details required therein are provided by the filer. Items not applicable to the filer should be marked N/A (not applicable).

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Board Secretary V
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The Chief/Head of the Personnel/Administrative Division or Unit/HRMO shall submit a list of employees in alphabetical order, who: a) filed their SALNs with complete data; b) filed their SALNs but with incomplete data; and c) did not file their SALNs, to the head of office, copy furnished the CSC, on or before May 15 of every year.

Section 3. Ministerial Duty of the Head of Office to issue Compliance Order

Immediately upon receipt of the aforementioned list and recommendation, it shall be the ministerial duty of the Head of Office to issue an order requiring those who have incomplete data in their SALN to correct/supply the desired information and those who did not file/submit their SALNs to comply within a non-extendible period of three (3) days from receipt of said order.

Assets and/or properties acquired, donated or transferred in the name of the filer for a particular year, but were not declared on his/her SALN for that year, as the same came to his/her knowledge only after he/she has filed, corrected and/or submitted his/her SALN, must be declared or reflected in the filer's next or succeeding SALN.

Section 4. Sanction for Failure to Comply/Issuance of a Show-Cause Order

Failure of an official or employee to correct/submit his/her SALN in accordance with the procedure and within the given period pursuant to the directive in Section 3 hereof shall be a ground for disciplinary action. The Head of Office shall issue a show-cause order directing the official or employee concerned to submit his/her comment or counter-affidavit; and if the evidence so warrants, proceed with the conduct of the administrative proceedings pursuant to the Uniform Rules on Administrative Cases in the Civil Service (CSC Resolution No. 99-1936 dated August 31, 1999). The offense of failure to file SALN is punishable under Rule IV, Section 52 (B) (8) thereof, with the following penalties:

- 1st offense - Suspension for one (1) month and one (1) day to 6 months
- 2nd offense - Dismissal from the service

Section 5. Transmittal of all submitted SALNs to the concerned agencies on or before June 30.

The Chief/Head of the Personnel/Administrative Division or Unit/HRMO shall transmit all original copies of the SALNs received, on or before June 30 of every year, to the concerned offices, as specified below:

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Board Secretary V
Commission Secretariat & Liaison Office

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National Office of the Ombudsman	-President and Vice-President of the Philippines -Chairmen and Commissioners of Constitutional Commissions and Offices
Secretary of the Senate	-Senators
Secretary General of the House of Representatives	-Congressmen
Clerk of Court of the Supreme Court	-Justices of the Supreme Court, Court of Appeals, Sandiganbayan and Court of Tax Appeal
Court Administrator	-Judges of the Regional Trial Court, Metropolitan Circuit Trial Court, Municipal and Special Courts
Office of the President	-National Executive Officials such as Members of the Cabinet, Undersecretaries and Assistant Secretaries, including the Foreign Service Offices -Heads of Government-Owned and Controlled Corporations with original charters and their subsidiaries, and State Colleges and Universities -Officers of the Armed Forces from the rank of colonel or Naval Captain
Deputy Ombudsman	-Regional Officials and Employees of Departments, Bureaus and Agencies of the National Government including the Judiciary and Constitutional Commission and Offices -Regional Officials and Employees of Government-Owned and Controlled Corporations and their subsidiaries in the region -All other officials and employees of State Colleges and Universities -Regional Officers below the rank of Colonel or Naval Captain including Civilian Personnel of the AFP -Regional Officials and Employees of the PNP -Provincial Officials and Employees including Governors, Vice-Governors and Sangguniang Panlalawigan Members -Municipal and City Officials and Employees including Mayors, Vice-Mayors, Sangguniang Bayan/Panlungsod Members and Barangay Officials

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<p>Civil Service Commission</p>	<p>-All other Central Officials and Employees of Departments, Bureaus and Agencies of the National Government, including the Judiciary and Constitutional Commissions and Offices, as well as Government-Owned and Controlled Corporations and their subsidiaries -Appointive Officials and Employees of the Legislature -All other Central Officers below the Rank of Colonel or Naval Captain as well as Civilian-Personnel of the AFP -All other Uniformed and Non-uniformed Central Officials and Employees of the PNP, BJMP and BFP</p>
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Section 6. Penalty

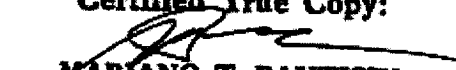
The Head of Office and/or the Chief/Head of the Personnel/Administrative Division or Unit/HRMO who failed to perform their duties may be held liable for neglect of duty under Section 46, Chapter 7, Subtitle A, Title I, Book V of the Administrative Code of 1987 (Executive Order No. 292).

Section 7. Authority to Establish Compliance Procedures

The following shall have the authority to establish compliance procedures for the review of statements to determine whether said statements have been properly accomplished.

- (a) In the case of Congress, the designated committees of both Houses of Congress subject to approval by the affirmative vote of the majority of the particular House concerned.
- (b) In the case of the Executive Department, the heads of departments, offices and agencies insofar as their respective departments, offices and agencies are concerned subject to approval of the Secretary of Justice.
- (c) In the case of the Judicial Department, the Chief Justice of the Supreme Court.

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 Board Secretary V
 Commission Secretariat & Liaison Office

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- (d) In the case of the Constitutional Commissions and other Constitutional Offices, the respective Chairman and members thereof; in the case of the Office of the Ombudsman, the Ombudsman.

The above officials shall likewise have the authority to render any opinion interpreting the provisions on the review and compliance procedures in the filing of statements of assets, liabilities, networth and disclosure of information.

In the event said authorities determine that a statement is not properly filed, they shall inform the reporting individual and direct him/her to take necessary corrective action.

The individual to whom an opinion is rendered, and any other individual involved in a similar factual situation, and who, after issuance of the opinion acts in good faith in accordance with it shall not be subject to any sanction provided in the Code.

II. Repealing Clause - all previous rules inconsistent herewith are deemed repealed or modified accordingly.

III. Effectivity

These rules shall take effect after fifteen (15) calendar days from the date of publication in a newspaper of general circulation.

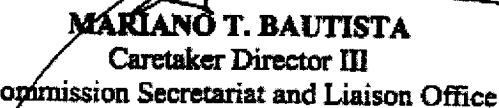
Quezon City, FEB 0 2006


KARINA CONSTANTINO-DAVID
Chairperson



J. WALDEMAR V. VALMORES
Commissioner


CESAR D. BUENAFLOR
Commissioner

Attested by:


MARIANO T. BAUTISTA
Caretaker Director III
Commission Secretariat and Liaison Office

Resolution No. 06-0231 was published April 7, 2006 in the Philippine Star.
KPN: (KPN: 132807)
SALN:r

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MARIANO T. BAUTISTA
Board Secretary V
Commission Secretariat & Liaison Office