



28 August 2020

MEMORANDUM

FOR : ALL PS EMPLOYEES

FROM : THE SALN REVIEW AND COMPLIANCE COMMITTEE

SUBJECT : 2020 SALN COMMITTEE TRANSPARENCY GUIDE

This has reference to the guidelines on the accomplishment and filing of Statements of Accounts, Liabilities and Networth (SALN) and the process of checking, clearing, and validation of SALNs.

- 1.0. SALN is the statement of assets, liabilities and net worth, and the disclosure of financial connections or business interests required from each government employee as civil servants. The purpose of the filing of SALN is full disclosure and preservation of integrity in the civil service. All public officers and employees are required to declare and submit their true, detailed and sworn statement of their assets, liabilities and net worth, including disclosure of business interests and financial connections, and to declare to the best of their knowledge their relatives in the government service.
- 2.0. All officials and employees of the government are required to file a SALN. This applies to employees of national and local governments, including state universities and colleges, and government owned and controlled corporations (GOCC) and their subsidiaries, with or without original charter.
- 3.0. The following employees or officials of the government are exempted from filing the SALN Form:
 - 3.1. Those serving in an honorary capacity - persons who are working in the government without service credit and without pay.
 - 3.2. Those whose position title is laborer - persons whose work depends on mere physical power to perform ordinary manual labor, and not one engaged in services consisting mainly of work requiring mental skill or business capacity, and involving the exercise of intellectual faculties.
 - 3.3. Those who are casual or temporary workers - persons hired to do work outside what is considered necessary for the usual operations of the employer's business.
- 4.0. The SALN should be filed:
 - 4.1. Within thirty (30) days after assumption of office, statements of which must be reckoned as of his first day of service;
 - 4.2. On or before April 30 of every year thereafter, statements of which must be reckoned as of the end of the preceding year; or
 - 4.3. Within thirty (30) days after separation from the service, statements of which must be reckoned as of his last day of office.

5.0. On the Manner of Filing:

5.1. Husband and wife who are public officials or employees may file their SALN jointly or separately. Hence, they must indicate whether they are filing it jointly or separately. The declarant employee who is single, married to a private person, widowed, legally separated, or annulled should mark the box for "Not Applicable".

6.0. The following personal information shall be provided:

- 6.1. Declarant's name, address, designation/position, office, and office address;
- 6.2. Name, designation/position, office and office address of the declarant's spouse; and
- 6.3. Names, dates of birth and ages of the declarant's unmarried and unemancipated children, or put N/A if not applicable.
- 6.4. The declarant must indicate N/A in the blank space for spouse if the declarant is single, widowed, legally separated or annulled.

7.0. The following assets shall be declared:

- 7.1. Assets include real properties and personal properties, whether within or outside the Philippines or used in trade or business.
- 7.2. "Total Assets" shall be computed as the sum of the "Total Value of Real Properties" and the "Total Value of Personal Properties". Real Properties
- 7.3. Real properties refer to those which are considered as immovable property¹ under Article 415 of the Civil Code of the Philippines. For each real property, the declaration shall include information on its description, kind, exact

¹ **Article 415 of the New Civil Code defines Immovable Property as follows:**

Article 415. The following are immovable property:

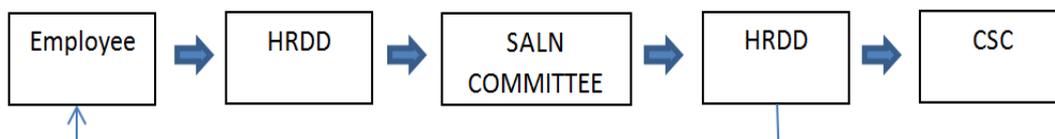
- 1) Land, buildings, roads and constructions of all kinds adhered to the soil;
- 2) Trees, plants, and growing fruits, while they are attached to the land or form an integral part of an immovable;
- 3) Everything attached to an immovable in a fixed manner, in such a way that it cannot be separated therefrom without breaking the material or deterioration of the object;
- 4) Statues, reliefs, paintings or other objects for use or ornamentation, placed in buildings or on lands by the owner of the immovable in such a manner that it reveals the intention to attach them permanently to the tenements;
- 5) Machinery, receptacles, instruments or implements intended by the owner of the tenement for an industry or works which may be carried on in a building or on a piece of land, and which tend directly to meet the needs of the said industry or works;
- 6) Animal houses, pigeon-houses, beehives, fish ponds or breeding places of similar nature, in case their owner has placed them or preserves them with the intention to have them permanently attached to the land, and forming a permanent part of it; the animals in these places are included;
- 7) Fertilizer actually used on a piece of land;
- 8) Mines, quarries, and slag dumps, while the matter thereof forms part of the bed, and waters either running or stagnant;
- 9) Docks and structures which, though floating, are intended by their nature and object to remain at a fixed place on a river, lake, or coast;
- 10) Contracts for public works, and servitudes and other real rights over immovable property.

- location, assessed value, current fair market value, year and mode of acquisition, and acquisition cost.
- 7.4. If the declarant does not own any real property, he or she must put/indicate N/A to the table provided for the real properties.
 - 7.5. The "Total Value of Real Properties" shall be determined using the acquisition cost of declarant's real properties, except those declared as exclusive properties of the spouse or owned by the declarant's unmarried children. For a real property acquired gratuitously (e.g., donation, succession) its declared current fair market value shall be used in the computation.
 - 7.6. Personal properties refer to those which are considered as movable property under Article 416 of the Civil Code of the Philippines. For each personal property, the declaration shall include information on its description, year acquired and acquisition cost or amount.
 - 7.7. The "Total Value of Personal Properties" shall be determined using the acquisition amount of declarant's personal properties, except those declared as exclusive properties of the spouse or owned by the declarant's unmarried children. For a personal property acquired gratuitously (e.g., donation, succession) its estimated current value shall be used in the computation.
- 8.0. Liabilities shall likewise be declared:
- 8.1. Liabilities refer to financial liabilities or those which can result to a transfer or disposal of an asset arising from an obligation to pay. For each liability, the declaration shall include information on the nature, name of creditors and outstanding balance.
 - 8.2. "Total Liabilities" shall be the sum of the outstanding balance of all liabilities, except those declared in the Separate Sheet/s as personal liabilities of the spouse.
- 9.0. Declaration of Networth:
- 9.1. Net Worth shall be computed by subtracting the "Total Liabilities" from the "Total Assets".
 - 9.2. In all cases, the declarant's net worth shall exclude all properties of his or her unmarried children.
- 10.0. Business interests and financial connections should also be disclosed:
- 10.1. Business interest refers to the involvement in any trade or profession, along with any direct or pecuniary interest, in any business entity or enterprise. Financial connection refers to any connection with a business entity or enterprise as consultant, adviser and the like, with an expectation of remuneration for services rendered.
 - 10.2. The declarant shall declare his or her existing business interest or financial connection in any business entity or enterprise. For each declaration, information on the name of business entity or enterprise, business address, nature of business interest or financial connection, and date of acquisition of interest or connection shall be provided.

- 10.3. If none of the declarant, his or her spouse and unmarried children has a business interest or financial connection, the declarant shall tick off the appropriate box in the SALN Form.
- 11.0. The declarant is also mandated to disclose family members in the government service:
 - 11.1. The declarant shall disclose his or her relatives in the government within the fourth (4th) civil degree of relationship, either by consanguinity or affinity, including bilas, inso and balae. For each declaration, information on the name of relative, relationship, position, and name of agency or office and address shall be provided.
 - 11.2. In case the declarant has no relative in the government within the relationship as above-described, the declarant shall tick off the appropriate box in the SALN Form.
- 12.0. Signing of the document:
 - 12.1. The declarant must sign the "Signature of Declarant" portion of the SALN Form.
 - 12.2. If the declarant is married, the declarant shall also obtain the signature of his or her spouse in the "Signature of Co-Declarant/Spouse" portion of the SALN Form. This rule shall apply even if the declarant's spouse, who is a public official or employee, has opted to file his or her SALN separately, or even if declarant's spouse is an individual cot connected, nor an employee, or an official of the government.
- 13.0. Administration of Oath:
 - 13.1. For SALN purposes, the head of agency has the authority to administer oath. However, the head of agency is allowed to delegate such authority provided the delegation of authority is put into writing. For the Procurement Service, the administration of oath has been delegated to the head of the HRDD.

The Clearing Process:

- 14.0. Process Flow of Checking, Clearing, and Validation of SALN:



- 14.1. The declarant employee of PS submits their accomplished SALN form to the Human Resource Development Division;
- 14.2. The HRDD will record the submission and the networth as declared in the statement.
- 14.3. After recording, the HRDD endorses the SALN to the SALN; Committee;

- 14.4. The SALN Committee will check the SALN for completeness and regularity of execution. After which, the SALN Committee will recommend either the return of the SALN to the declarant employee for revisions or corrections; or it will issue a memorandum and certification, certifying the correctness of execution of the SALN.
- 14.5. The reviewed SALN is routed back to the HRDD for processing, either to return the said SALN to the declarant employee for correction or to transmit the said SALN to the CSC for filing.
- 15.0. SALNs are commonly reverted for correction due to the following reasons:
 - 15.1. **Blank fields:** All fields should be filled out. If there are no assets or liabilities applicable, fields should be marked with "N/A".
 - 15.2. **Arithmetical Computation:** Always double check the sums and differences to ensure the faithful recording of assets and liabilities.
 - 15.3. **Attending Dates:** A common mistake committed by computer-savvy declarants are the copying and pasting of wrong dates. Always double check the dates of filing, and the date indicated in the "as of" field on top of the page.
 - 15.4. **Signatures:** the Signature field should be signed legibly by all declarants.

Please be guided.

SIGNATURE REDACTED

ATTY. MICHELLE ANNE B. RECTO
Chairperson, SALN Committee

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