



Republic of the Philippines  
Department of Social Welfare and Development  
Batasan Pambansa Complex, Constitution Hills  
Quezon City  
Telephone No. 931-8101 to 07

**ADMINISTRATIVE ORDER**

No. 11  
Series of 2004

**FOR :** All Bureaus/Services Directors,  
Field Directors, Accountants,  
Budget Officers and All Others Concerned

**SUBJECT :** GUIDELINES ON THE COLLECTION AND DEPOSIT  
OF INCOME/RECEIPTS FROM ALL SOURCES

**1.0 RATIONALE**

Pursuant to the provisions of Section 44 of Book VI, E.O. 292 (Administrative Code of 1987), unless otherwise specifically provided by law, all income/receipts collected by the agency in the exercise of its functions shall be deposited with the National Treasury and shall accrue to the General Fund.

Sections 3, 8, 9, 11 and 12 of the General Provisions of the General Appropriations Act, RA No. 9206 on Fees, Charges and Assessments; Seminar and Conference Fees; Sale of Products; Sale of Non-Serviceable, Obsolete and Other Unnecessary Equipment; and Donations, respectively, supports the above law on the use of income/receipts collected. However, existing practices in the DSWD reveal that DSWD Regional Offices have varying treatment, recording and reporting on income and receipt accounts. Some practices have resulted to the DBM disapproval of DSWD requests for authority to use such income. Hence, this guideline.

**2.0 PURPOSE**

To prescribe guidelines on the collection and deposit of income/receipts from all sources including the appropriate recording process for uniform implementation in the DSWD Central Office and Field Offices.

**3.0 COVERAGE**

This guideline shall cover the following income/receipts:

**3.1 Income/receipts which shall be authorized for use of DSWD**

- 3.1.1 Donations in Cash and in Kind
- 3.1.2 Receipts from other NGAs for implementation of specific project
- 3.1.3 LGU share (youth offender/RRCY)
- 3.1.4 Seminar and conference fees

- 3.1.5 Affiliation Fees from students for Civic Welfare Training Service of the NTSP
- 3.1.6 Proceeds from sales of scraps/wastes materials
- 3.1.7 Proceeds from sales of unserviceable PPEs

**3.2 Income/receipts which are not authorized for use of DSWD**

- 3.2.1 Service Fees
- 3.2.2 Use of facilities
- 3.2.3 Fines and Penalties
- 3.2.4 Proceeds from sales of PSCB products
- 3.2.5 Interest Income

**4.0 GUIDELINES**

For uniformity of action, the following income/receipt accounts are categorized as follows:

**4.1 Income/receipts that shall be authorized for use of DSWD.**

Income/receipts under this category are those that require remittance to the National Treasury but may be authorized for agency use upon submission of Special Budget to DBM and the issuance by DBM of SARO and NCA.

**4.1.1 Cash Donations.** These cover cash donations from various sources, domestic or foreign, which are deemed automatically appropriated for purposes specified by the donor. These receipts shall be remitted to the National Treasury and recorded under NG Books and are made available to the agency through a Special Budget pursuant to Section 35, Book VI of E.O. 292.

Unless it is authorized by the donor/grantor that the same shall be deposited with Authorized Government Depository Bank (AGDB) as provided under COA-GAFMIS Circular Letter No. 2003-005 dated November 21, 2003, these receipts shall be recorded under RA Books.

Accounting Journal Entries:

Receipt of Donation			
Cash Collecting Officer		XXX	
Income from Grants and Donations			XXX
Remittance to National Treasury			
Income from Grants and Donations		XXX	
Cash Collecting Officers			XXX

**4.1.2 Donations in Kind.** These cover donations in kind from various sources, domestic or foreign, and are deemed automatically appropriated for purposes specified by the donor. These receipts shall be recorded at its monetized value under RA Books Fund 101.

Accounting Journal Entries:

Receipt of Donations in Kind			
Appropriate asset account		XXX	
	Income from Grants and Donations		XXX

**4.1.3 Receipts from other NGAs and LGUs.** These include collections of the following and are accounted as follows:

<u>Nature/Source</u>	<u>Account Credited</u>
1) receipts from other NGAs for implementation of specific projects	Due to NGAs
2) LGUs counterpart share for the care and maintenance of youthful offenders as provided under P.D. 603 "Child and Youth Welfare Code"	Due to LGUs
3) receipts from students for Civic Welfare Training Service of the National Training Service Project (NTSP)	Other Payable

These receipts shall be treated as liabilities of the Department and recorded under RA Books Fund 101. Collections shall be deposited to the National Treasury and may be made available through a Special Budget.

Accounting Journal Entries:

Upon collection			
Cash Collecting Officers		XXX	
	Appropriate Liability Accounts		XXX
Deposit to National Treasury			
Due from National Treasury		XXX	
	Cash Collecting Officers		XXX

**4.1.4 Receipts from Seminar/Conference Fees.** These are fees from seminars and conferences or training program conducted by the Agency in relation to its mandated functions. The collections shall be recorded as income (Seminar Fees) under RA Books and may be made available for the conduct of such seminars and conferences, and for defraying the cost of training facilities, subject to pertinent

budget, accounting and auditing rules and regulations. Provided, that any excess of collection shall be remitted to the National Treasury as per Sec. 8 of the General Provision of R.A. No. 9206, FY2003.

Accounting Journal Entries:

Upon collection		
Cash Collecting Officers	XXX	
Seminar Fees		XXX
Deposit to AGDB		
Cash, LCCA	XXX	
Cash Collecting Officers		XXX
Expenses incurred		
Training Expenses	XXX	
Cash, LCCA		XXX
Remittance of excess income to National Treasury		
Seminar Fees	XXX	
Cash, LCCA		XXX

**4.1.5 Proceeds from sales of scraps/waste materials, unserviceable, obsolete and other unnecessary PPEs.**

Pursuant to the provisions of Section 79 of PD 1445 and E.O. No. 309 dated March 8, 1996, agencies are authorized to sell non-serviceable, obsolete and other unnecessary equipment. Proceeds of which shall be deemed automatically appropriated for the purchase of new ones, and for the repair or rehabilitation of existing vital equipment.

Accounting Journal Entries:

Upon sale		
Cash Collecting Officers	XXX	
Appropriate Asset Account		XXX
Gain on sale		XXX
Deposit to BTr		
Due from BTr	XXX	
Cash Collecting Officers		XXX
Receipt of NCA		
Cash, National Treasury, MDS	XXX	
Due from BTr		XXX

**4.2 Income/receipts that are not authorized for use of DSWD.**  
Income collections which shall be remitted to the National Treasury and shall accrue to the General Fund and to be recorded in the NG books of the collecting agency are as follows:

1. Travel Clearance for minors
2. Parental Travel Permit Fees
3. Licensing Fees of Social Welfare Organizations
4. Solicitation Permit Fees
5. Facilitation Fees (for Duty Free Entry)
6. Income from Dormitory Operations
7. Fines and Penalties
8. Proceeds from sales of PSCB products
9. Interest Income

Accounting Journal Entries:

Upon Collection			
Cash Collecting Officers		XXX	
Appropriate Income Accounts			XXX
Upon remittance			
Appropriate Income Accounts		XXX	
Cash Collecting Officers			XXX

**5.0 REPORTING REQUIREMENTS**

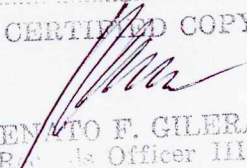
A Quarterly Report of Actual Income shall be submitted to the Central Office for consolidation. The report shall include all cash receipts that are recorded as income in the books of accounts and remitted to the National Treasury, those that are subject for special budget and all other receipts accruing to the National Government. Two sets of reports shall be made pertaining to RA Books and NG Books.

**6.0 EFFECTIVITY**

These guidelines shall take effect January 02, 2004.

Issued this 1<sup>st</sup> day of March 2004 at Quezon City.

  
**CORAZON JULIANO N. SOLIMAN**  
Secretary

A CERTIFIED COPY:  
  
**RENATO F. GILERA**  
Regional Officer III