



**ADMINISTRATIVE ORDER**

No. 02  
Series of 2019

**SUBJECT : ADOPTION AND USE OF THE BUDGET AND  
TREASURY MANAGEMENT SYSTEM (BTMS) IN THE  
DEPARTMENT INCLUDING ALL ATTACHED  
AGENCIES**

In line with the Department's thrust on the implementation of a functional financial management information system to improve transparency and accountability in the management of public funds, timeliness and accuracy in financial reporting, all Offices, Bureaus, Services, Units (OBSUs), including Field Offices (FOs) and Attached Agencies (AAs) of the Department, are hereby directed to adopt and implement properly the BTMS as the primary means for obligating, disbursing, and reporting all expenditures to standardize and automate the budget utilization of the Department, pursuant to Department of Budget and Management (DBM) Circular No. 2019-4 dated January 14, 2019. The BTMS shall be the official source of financial data and reporting.

In line with this, all OBSUs, FOs, and AAs must adhere to the following:

1. All financial management, and related administrative, activities of the Department, without regard to the amount/level of expenditure and fund source, shall be carried using the BTMS. These include, but are not limited to, the following:
  - i. Appropriations Management- the New General Appropriations and Automatic Appropriations would be automatically imported by the DBM through an interface at the beginning of each financial year while the Continuing Appropriations would be brought forward from the previous period. Other Appropriations would be recorded manually in BTMS. Appropriations can be updated or transferred during the year based on realignment guidelines.
  - ii. Allotments Management- allotments updates or transfers during the year based on realignment guidelines shall be done through the system. It enforces budget control features where allotment releases exceeding appropriations are not allowed.
  - iii. Commitments and Obligations Management- setting aside the budget allotments for specific expenditures to be incurred through creation and approval of a Purchase Request, Purchase Order and/or Obligation Request (OBR).

- iv. Payments Management- recording of expenditures and processing of payments to suppliers, employees, and others through automatic creation of Disbursement Vouchers linked to one or more approved OBRs.
- v. Receipts Management- manages all the processes involved in recording, classifying and managing revenue collections from different sources through creation, modification, and approval of Order of Payment and Official Receipts.
- vi. Cash Management- manages all processes that relate to the collection, handling and usage of cash resources.
- vii. Property, Plant, and Equipment (PPE) Management- involved in the procurement of assets, transfers, disposal, survey and valuation of the PPE, receipt of the new PPE, recording of their physical location, financial information, allocation of assets, and verification details, maintenance of PPE register with mandatory information such as asset identification, asset classification and sub-classification, asset item group, value of the asset, asset acquisition methods, depreciation method and period, salvage value, item operational status, and disposal details.
- viii. Accounting and Fiscal Reporting- compiling all the financial transactions, generation of accounting reports, consolidated financial statements, budget and financial accountability reports, and other such reports as required for fiscal performance monitoring and management.

Activities aforesaid may increase in number depending on the BTMS enhancements or improvements that may be introduced by the DBM in the future.

2. Except in justifiable circumstances, aforesaid activities shall be carried out in the BTMS using the Transaction Mode only wherein each step of a process is conducted in the system, according to Administrative Order No. 08, series of 2018 - Delegation and Delineation of Authority, Section II. Administrative, Procurement, and Financial Matters with enforcement of budget execution controls.

Any financial transaction with step/s not carried out using the BTMS Transaction Mode shall not be entertained by the Department's Finance and Management Service/Divisions (FMS/D).

3. Entry, review, certification, approval and reporting of financial transactions should be maintained in a timely manner, kept current and updated in the BTMS.

To support the OBSUs, FOs, and AAs in the full implementation of the BTMS, a Special Order for the DSWD-BTMS Project Management Committee (PMC), composed of the officials and employees of the General Administration and Support Services Group and other concerned OBSUs, shall be issued.

All OBSUs, FOs, and AAs are hereby further directed to fully cooperate and adhere with the requirements of the DSWD-BTMS PMC relevant to the operationalization and implementation of the BTMS.

Any violation of this policy shall subject the erring employee or official to immediate sanctions that shall include relief, suspension and/or dismissal in accordance with the Civil Service rules and regulations and other pertinent laws.

This Order shall take effect on July 1, 2019 and on October 1, 2019 in the Central Office and in the FOs and AAs respectively, or based on the transition plan to be submitted by the DSWD-BTMS PMC to the Secretary, whichever is earlier.

Starting January 1, 2020, the BTMS shall be the sole means for obligating, disbursing, and reporting all expenditures of the Department. In addition, all financial management and related administrative activities of the Department, without exception, shall be carried out in the BTMS using the Transaction Mode.

This Order supersedes all previous Orders and other issuances or any provision/s thereof that are inconsistent herewith.

Issued in Quezon City, this 07<sup>th</sup> day of March 2019.



ROLANDO JOSELITO D. BAUTISTA  
Department Secretary

Certify True Copy:

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