

MEMORANDUM CIRCULARNo. 05

Series of 2023

SUBJECT: AMENDMENT TO MEMORANDUM CIRCULAR NO. 9 SERIES OF 2006 ENTITLED “PROCEDURAL GUIDELINES ON THE RECEIPT AND UTILIZATION OF DONATIONS IN CASH AND IN KIND”

I. RATIONALE

Section 5 of the 2023 General Appropriations Act authorizes the Department to accept donations, contributions, grants, bequests or gifts, in cash or in kind, from various sources, domestic or foreign, for purposes relevant to its functions. In facilitating the delivery of services to our clientele, the Department of Social Welfare and Development (“DSWD”) issued Memorandum Circular (“MC”) No. 09, series of 2006. However, the said circular “requires all donations in kind, except those for purposes of disaster relief and operations, to be coursed-through the Administrative Service in [DSWD]-Central Office or Management Division in Field Offices [of the Department.]”. This provision led to a long, tedious, and unnecessary process to have the donated products be utilized for the benefit of our clientele.

It is imperative to streamline government processes, especially those that directly affect our clientele. To this end, this MC is hereby issued to allow bureaus, offices, and DSWD-accredited facilities to directly utilize in-kind donations received, subject to proper accounting, documentation, and control processes.

II. LEGAL BASES

- A. Republic Act No. 11936 or the “General Appropriations Act of 2023”
- B. Memorandum Circular No. 9, Series of 2006 or the “Procedural Guidelines On the Receipt and Utilization of Donations in Cash and in Kind”
- C. Republic Act No. 11032 or the “Ease of Doing Business and Efficient Government Service Delivery Act of 2018”
- D. Administrative Order No. 2, Series of 2021 or the “Omnibus Guidelines on FNI and Logistics Management for Disaster Response Operations”
- E. Commission on Audit (COA) Circular No. 2, Series of 2014 or the “Accounting and Reporting Guidelines on the receipt and utilization of National Disaster Risk Reduction and Management Funds (NDRRMF), cash and in-kind aids/donations from local and foreign sources, and funds allocated from the agency regular budget for Disaster Risk Reduction and Management (DRRM) program”

III. OBJECTIVE

To streamline and integrate the process of utilizing all in-kind donations received by the different DSWD bureaus, offices, and accredited facilities from domestic and foreign sources.

IV. DEFINITION OF TERMS

- (1) Donee-Specific In-Kind Donations – for purposes of this guideline, shall refer to donations in kind in favor of a specific DSWD office, bureau, or a managed facility.
- (2) Non-Donee-Specific In-Kind Donations – for purposes of this guideline, shall refer to donations in kind in favor of DSWD or any of its field offices, or an unidentified group of people.

V. AMENDMENTS

- (1) Item **6.1.6.** of DSWD MC No. 9, series of 2006, otherwise known as the “Procedural Guidelines on the Receipt and Utilization of Donations in Cash and in Kind”, is hereby amended to read as follows:

“6.1.6. Donee-specific in-kind donations, whether or not for disaster relief and rehabilitation, or in-kind donations immediately consumable or perishable in nature like snacks or foods served, medicines, and other items may be received directly by a bureau, office, or DSWD-managed facility (“Donee-Facility”) and may be utilized immediately provided that an Acknowledgement Receipt of Donations Received (“ARDR”), together with its corresponding Issuance Receipt (“IR”), is prepared and issued by the donee-facility copy furnished the Administrative Service in the Central Office or Administrative Division/Property Section in the Field Office, and Accounting Division/Unit for recording in the books.

For purposes of recording, donations for disaster relief and rehabilitation shall be governed by COA Circular No. 2, Series of 2014.”

- (2) Item **6.1.7.** of DSWD MC No. 9, series of 2006 is hereby amended to read as follows:

“6.1.7. Non-donee specific in-kind donations other than for disaster relief and rehabilitation shall be coursed-through the Administrative Services in Central Office or Administrative Division/Property Section in Field Offices. The Acknowledgement Receipt of Donations Received (“ARDR”) shall be prepared and issued by the said office copy furnished the Accounting Division/Unit for recording in the books.”

- (3) A new item **6.1.8** of DSWD MC No. 9, series of 2006 is hereby introduced to read as follows:

“6.1.8. The utilization of the donation shall be in accordance with the purpose for which the donation was intended or for the purpose stated in the Deed of Donation and Acceptance (“DDA”).”

- (4) Item **6.1.8.** of DSWD MC No. 9, series of 2006 is hereby renumbered to read as follows:

“6.1.9. Donations in kind without monetized value shall be requested for valuation by the Valuation Committee. Detailed procedures are provided in Memorandum Circular No. 28 dated November 16, 2005, the Guidelines on Monetary Valuation of Foreign and Local Donations for Disaster Relief and Rehabilitation, as amended by DSWD MC No. 10, Series of 2007.”


VI. REPEALING/AMENDMENT CLAUSE

All previous issuances inconsistent with this Memorandum Circular are hereby repealed, modified or amended accordingly.

VII. EFFECTIVITY CLAUSE

This Circular shall take effect within fifteen (15) days after publication in the Official Gazette or in a newspaper of general circulation.

Issued in Quezon City this 27~~th~~ day of March, 2023.



REX GATCHALIAN
Secretary
Date: MAR 27 2023