

**POLICIES AND PROCEDURES IN THE FILING OF THE
STATEMENT OF ASSETS, LIABILITIES AND NET WORTH (SALN)
and DISCLOSURE OF BUSINESS INTERESTS AND FINANCIAL CONNECTIONS**

Pursuant to Section 8 of R.A. No. 6713 (An Act Establishing a Code of Conduct and Ethical Standards for Public Officials and Employees) and other related laws and issuances, PhilGuarantee shall adopt the following Internal Review and Compliance Procedure in the Filing and Submission of the SALNs of all PhilGuarantee employees.

1. Filing and Submission

- a. All employees holding a permanent, temporary, co-terminus and/or contractual appointment shall file under oath their SALNs and Disclosure of Business Interests and Financial Connections in the proper form (Annex A).
- b. They are required to submit **four (4) original signed copies of their duly accomplished SALN Forms as of 31 December of the preceding year on or before 30 April of every year thereafter, to the Human Resource Unit, Human Resource and Administration Department, for evaluation of the PhilGuarantee Review and Compliance Committee (PRCC).**

2. Accomplishing the Form

- a. Employees are strictly required to fill in all the applicable information and to make a true and detailed statement of their SALN. (Please refer to attached FAQs and Guidelines in the Filling Out of the SALN.)
- b. Filing of the form may be handwritten, computerized or typewritten provided the signature of the declarant (and spouse, if joint filing) are original. The declarant is required to write legibly if he/she opts to file handwritten form.

3. Review of the SALN

- a. Upon receipt of the accomplished SALNs, the Human Resource Unit shall turn over these SALNs to the Review and Compliance Committee for evaluation and ensure that the forms have been properly accomplished. A SALN form is deemed properly accomplished when all the applicable information or detail required are provided by the filer. Items not applicable should be marked "NA" (not applicable).
- b. The Committee shall prepare and submit to the President and CEO, copy furnished the CSC, the list of employees who i) filed their SALNs with complete data; ii) filed but with incomplete data; and iii) did not file on the date required, on or before the 15 May of every year.
- c. Accordingly, the Committee shall prepare a Compliance Order, for the President's signature, to those with incomplete data and to those who did not file their SALN, within five days from receipt of the list.
- d. A show-cause order will be then be issued to those who failed to comply after the issuance of the compliance order.

- e. Unless otherwise amended by the President and CEO, the Head of the Strategy and Development Sector is the authorized officer to administer the oath in the SALN.

4. Transmittal

The duly accomplished SALN forms shall be transmitted as follows:

a. On or before 30 June of every year:

- 1) Office of the President – President and CEO
- 2) Civil Service Commission – All other employees

b. On or before 31 July of every year:

- 1) Department of Finance - RIPS (Revenue Integrity Protection Services) – All employees

The third (3rd) copy shall be the employee's copy.

The fourth (4th) copy shall be the Human Resource Unit's copy.

5. Sanctions

Failure to submit the SALN or to disclose/declare any asset, liability, business interest, financial connection and relative in the government in the SALN shall be punishable by suspension of one (1) month and one (1) day to six (6) months for the first offense, and dismissal from the service for the second offense.

Attachments:

- 1. SALN Form (Pro-forma and sample)
- 2. FAQs on the SALN
- 3. Guidelines in the Filling Out of the SALN
- 4. Summary List of Filers Form

SWORN STATEMENT OF ASSETS, LIABILITIES AND NET WORTH

As of December 30, 2018

(Required by R.A. 6713)

Note: Husband and wife who are both public officials and employees may file the required statements jointly or separately.

☒ Joint Filing ☐ Separate Filing ☐ Not Applicable

DECLARANT:	Dela Cruz	Juan	M.	POSITION:	Clerk V
	(Family Name)	(First Name)	(M.I.)	AGENCY/OFFICE:	Civil Service Commission
ADDRESS:	1 Rizal St., Sampaloc, Manila			OFFICE ADDRESS:	CSC Bldg., IBP Road, Batasan Hills, Quezon City
SPOUSE:	Dela Cruz	Juana	M.	POSITION:	Director II
	(Family Name)	(First Name)	(M.I.)	AGENCY/OFFICE:	Civil Service Commission
				OFFICE ADDRESS:	CSC Bldg., IBP Road Batasan Hills, Quezon City

UNMARRIED CHILDREN BELOW EIGHTEEN (18) YEARS OF AGE LIVING IN DECLARANT'S HOUSEHOLD

NAME	DATE OF BIRTH	AGE
Gabriel M. dela Cruz	1/2/2005	13
Michael M. dela Cruz	5/2/2010	9
Angelica M. dela Cruz	10/11/2017	2
N/A	N/A	N/A

ASSETS, LIABILITIES AND NETWORK

(Including those of the spouse and unmarried children below eighteen (18) years of age living in declarant's household)

1. ASSETS

a. Real Properties*

DESCRIPTION (e.g. lot, house and lot, condominium and improvements)	KIND (e.g. residential, commercial, industrial, agricultural and mixed use)	EXACT LOCATION	ASSESSED VALUE	CURRENT FAIR MARKET VALUE	ACQUISITION		ACQUISITION COST
			(As found in the Tax Declaration of Real Property)		YEAR	MODE	
House and Lot (mort.)	Residential	1 Rizal St., Sampaloc, Manila	P800,000.00	P1,500,000.00	2003	Sale with mortgage	P5,000,000.00
Building (1/3 co-owned)	Commercial	1 Quezon Ave., Tandang Sora, Cavite	P1,200,000.00	P2,000,000.00	2000	Deed of Sale	P1,500,000.00
Farm lot	Agricultural	Brgy. Kaligayahan, Cavite	P900,000.00	P1,200,000.00	2010	Inherited	0
Lot	Mixed use	Santa Fe Subd., Brgy. Ana, Quezon City	P600,000.00	P800,000.00	2008	Deed of Sale	P1,300,000.00

Subtotal: P7,800,000.00

b. Personal Properties*

DESCRIPTION	YEAR ACQUIRED	ACQUISITION COST/AMOUNT
Condominium Unit (contract to sell)	2015	P500,000.00
Furniture	2000-present	P150,000.00
Appliances	2000-present	P200,000.00
Shares of stock	2013	P50,000.00

Subtotal: P3,250,000.00

TOTAL ASSETS (a+b): P11,050,000.00

* Additional sheet/s may be used, if necessary.

2. LIABILITIES*

NATURE	NAME OF CREDITORS	OUTSTANDING BALANCE
Personal debt	Eddie dela Cruz	P800,000.00
Housing Loan	Pag-IBIG	P2,500,000.00
Contract to Sell	DMCI	P1,000,000.00
GSIS Multipurpose loan	GSIS	P60,000.00

TOTAL LIABILITIES: P4,360,000.00**NET WORTH : Total Assets less Total Liabilities = P6,690,000.00**

* Additional sheet/s may be used, if necessary.

BUSINESS INTERESTS AND FINANCIAL CONNECTIONS

(of Declarant /Declarant's spouse/ Unmarried Children Below Eighteen (18) years of Age Living in Declarant's Household)

☐ I/We do not have any business interest or financial connection.

NAME OF ENTITY/BUSINESS ENTERPRISE	BUSINESS ADDRESS	NATURE OF BUSINESS INTEREST &/OR FINANCIAL CONNECTION	DATE OF ACQUISITION OF INTEREST OR CONNECTION
Sea Travel and Tours	Agapito St., Sampaloc, Manila	Owner	2015
N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A

RELATIVES IN THE GOVERNMENT SERVICE

(Within the Fourth Degree of Consanguinity or Affinity. Include also Bilas, Balae and Inso)

☐ I/We do not know of any relative/s in the government service)

NAME OF RELATIVE	RELATIONSHIP	POSITION	NAME OF AGENCY/OFFICE AND ADDRESS
Nadine Lustre	sister	Attorney V	Department of Education, Quezon City
James Reid	cousin	Property Officer III	Department of Public Works and Highway, Pasig
Anne Curtis	aunt	Health Officer	Municipality of Bukid, Batangas
N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A

I hereby certify that these are true and correct statements of my assets, liabilities, net worth, business interests and financial connections, including those of my spouse and unmarried children below eighteen (18) years of age living in my household, and that to the best of my knowledge, the above-enumerated are names of my relatives in the government within the fourth civil degree of consanguinity or affinity.

I hereby authorize the Ombudsman or his/her duly authorized representative to obtain and secure from all appropriate government agencies, including the Bureau of Internal Revenue such documents that may show my assets, liabilities, net worth, business interests and financial connections, to include those of my spouse and unmarried children below 18 years of age living with me in my household covering previous years to include the year I first assumed office in government.

Date: 03/15/2019

(Signature of Declarant)

(Signature of Co-Declarant/ Spouse)

Government Issued ID: CSC ID
 ID No.: 123456
 Date Issued: 01/02/2018

Government Issued ID: CSC ID
 ID No.: 987654
 Date Issued: 01/05/2018

SUBSCRIBED AND SWORN to before me this 15 day of March 2019, affiant exhibiting to me the above-stated government issued identification card.

Lady Gaga Sanchez
 (Person Administering Oath)

SWORN STATEMENT OF ASSETS, LIABILITIES AND NET WORTH

As of December 31, 2018
(Additional sheet/s for the declarant)

NAME: Dela Cruz Juan M. POSITION: Clerk V
(Family Name) (First Name) (M.I.) AGENCY/OFFICE: Civil Service Commission

ASSETS, LIABILITIES AND NET WORTH

1. ASSETS

a. Real Properties

DESCRIPTION (e.g. lot, house and lot, condominium and improvements)	KIND (e.g. residential, commercial, industrial, agricultural and mixed use)	EXACT LOCATION	ASSESSED VALUE	CURRENT FAIR MARKET VALUE	ACQUISITION		ACQUISITION COST
			(As found in the Tax Declaration of Real Property)		YEAR	MODE	
condominium	residential	SM Prima Towers, EDSA, Mandaluyong City	P1,000,000.00	P1,750,000.00	2016	donation	0
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Subtotal: Php 0

b. Personal Properties

DESCRIPTION	YEAR ACQUIRED	ACQUISITION COST/AMOUNT
Jewelry	2000-present	P 100,000.00
Mitsubishi Montero	2010	P1,200,000.00
Hand gun (Glock)	2012	P 50,000.00
Cash in bank	2000- present	P 800,000.00
Cash on hand	2018	P 200,000.00

Subtotal : Php 2,350,000.00

TOTAL ASSETS (a+b): Php 2,350,000.00

2. LIABILITIES

NATURE	NAME OF CREDITORS	OUTSTANDING BALANCE
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A

TOTAL LIABILITIES: N/A

BUSINESS INTERESTS AND FINANCIAL CONNECTIONS

NAME OF ENTITY/BUSINESS ENTERPRISE	BUSINESS ADDRESS	NATURE OF BUSINESS INTEREST &/OR FINANCIAL CONNECTION	DATE OF ACQUISITION OF INTEREST OR CONNECTION
N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A

STATEMENT OF ASSETS, LIABILITIES AND NET WORTH

As of December 31, 2018

(Additional sheet/s for the exclusive properties of the declarant's spouse and unmarried children
below eighteen (18) years of age living in declarant's household)

NAME:	Dela Cruz	Juan	M.	POSITION:	Clerk III
	(Family Name)	(First Name)	(M.I.)	AGENCY/OFFICE:	Civil Service Commission

ASSETS, LIABILITIES AND NET WORTH

1. ASSETS

a. Real Properties

DESCRIPTION (e.g. lot, house and lot, condominium and improvements)	KIND (e.g. residential, commercial, industrial, agricultural and mixed use)	EXACT LOCATION	ASSESSED VALUE	CURRENT FAIR MARKET VALUE	ACQUISITION		ACQUISITION COST
			(As found in the Tax Declaration of Real Property)		YEAR	MODE	
lot	agricultural	Brgy. Kaligayahan, Sto. Tomas, Batangas	P150,000.00	P210,000.00	2018	donation	0
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

b. Personal Properties

DESCRIPTION	YEAR ACQUIRED	ACQUISITION COST/ AMOUNT
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A

2. LIABILITIES

NATURE	NAME OF CREDITORS	OUTSTANDING BALANCE
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A
N/A	N/A	N/A

BUSINESS INTERESTS AND FINANCIAL CONNECTIONS

NAME OF ENTITY/BUSINESS ENTERPRISE	BUSINESS ADDRESS	NATURE OF BUSINESS INTEREST &/OR FINANCIAL CONNECTION	DATE OF ACQUISITION OF INTEREST OR CONNECTION
N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A

SWORN STATEMENT OF ASSETS, LIABILITIES AND NET WORTH

As of _____
(Required by R.A. 6713)

Note: Husband and wife who are both public officials and employees may file the required statements jointly or separately.
☐ Joint Filing ☐ Separate Filing ☐ Not Applicable

DECLARANT:	(Family Name)	(First Name)	(M.I.)	POSITION:	
ADDRESS:				AGENCY/OFFICE:	
				OFFICE ADDRESS:	
SPOUSE:	(Family Name)	(First Name)	(M.I.)	POSITION:	
				AGENCY/OFFICE:	
				OFFICE ADDRESS:	

UNMARRIED CHILDREN BELOW EIGHTEEN (18) YEARS OF AGE LIVING IN DECLARANT'S HOUSEHOLD

NAME	DATE OF BIRTH	AGE

ASSETS, LIABILITIES AND NETWORTH

(Including those of the spouse and unmarried children below eighteen (18) years of age living in declarant's household)

1. ASSETS

a. Real Properties*

No.	Description	Acquired	Value	Date	Type	Other

Subtotal: _____

b. Personal Properties*

Description	Value	Date

Subtotal: _____

TOTAL ASSETS (a+b): _____

* Additional sheet/s may be used, if necessary.

2. LIABILITIES*

TOTAL LIABILITIES: _____

NET WORTH : Total Assets less Total Liabilities = _____

* Additional sheet/s may be used, if necessary.

BUSINESS INTERESTS AND FINANCIAL CONNECTIONS

(of Declarant /Declarant's spouse/ Unmarried Children Below Eighteen (18) years of Age Living in Declarant's Household)

☐ I/ We do not have any business interest or financial connection.

RELATIVES IN THE GOVERNMENT SERVICE

(Within the Fourth Degree of Consanguinity or Affinity. Include also Bilas, Balae and Inso)

☐ I/ We do not know of any relative/s in the government service)

I hereby certify that these are true and correct statements of my assets, liabilities, net worth, business interests and financial connections, including those of my spouse and unmarried children below eighteen (18) years of age living in my household, and that to the best of my knowledge, the above-enumerated are names of my relatives in the government within the fourth civil degree of consanguinity or affinity.

I hereby authorize the Ombudsman or his/her duly authorized representative to obtain and secure from all appropriate government agencies, including the Bureau of Internal Revenue such documents that may show my assets, liabilities, net worth, business interests and financial connections, to include those of my spouse and unmarried children below 18 years of age living with me in my household covering previous years to include the year I first assumed office in government.

Date: _____

(Signature of Declarant)

Government Issued ID: _____
ID No.: _____
Date Issued: _____

(Signature of Co-Declarant/Spouse)

Government Issued ID: _____
ID No.: _____
Date Issued: _____

SUBSCRIBED AND SWORN to before me this ____ day of _____, affiant exhibiting to me the above-stated government issued identification card.

(Person Administering Oath)

SWORN STATEMENT OF ASSETS, LIABILITIES AND NET WORTH

As of _____
(Sample additional sheet/s for the declarant)

NAME: _____ **POSITION:** _____
(Family Name) (First Name) (M.I.) **AGENCY/OFFICE:** _____

ASSETS, LIABILITIES AND NET WORTH

1. ASSETS

a. Real Properties

Subtotal: _____

b. Personal Properties

Subtotal : _____

TOTAL ASSETS (a+b): _____

2. LIABILITIES

TOTAL LIABILITIES: _____

BUSINESS INTERESTS AND FINANCIAL CONNECTIONS

SWORN STATEMENT OF ASSETS, LIABILITIES AND NET WORTH

As of _____

(Sample additional sheet/s for the exclusive properties of the declarant's spouse and unmarried children below eighteen (18) years of age living in declarant's household)

NAME: _____

(Family Name)

(First Name)

(M.I.)

POSITION: _____

AGENCY/OFFICE: _____

ASSETS, LIABILITIES AND NET WORTH

1. ASSETS

a. Real Properties

b. Personal Properties

2. LIABILITIES

BUSINESS INTERESTS AND FINANCIAL CONNECTIONS

Frequently Asked Questions¹ on the Statement of Assets, Liabilities and Networth (SALN)

BASIC INFORMATION

What is the SALN?

It is the statement of assets, liabilities and net worth, and the disclosure of financial connections or business interests and identification of relatives within the fourth degree of consanguinity or affinity. Further, it also requires the declarant to name his/her *bilas, balae* and *inso* who are in government service.

What is the purpose of the SALN?

To enjoin all public officers and employees to declare and submit an annual 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.

Who are required to file the SALN?

All officials and employees of government are required to file the SALN. The government pertains to the national and local governments, including state universities and colleges, and government-owned and controlled corporations (GOCC) and their subsidiaries, with or without original charter.

Who are exempted from filing the SALN Form?

- 1) Those serving in honorary capacity - persons who are working in the government without service credit and without pay.
- 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) 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.

When should the SALN be filed?

The SALN should be filed:

- 1) within thirty (30) days after assumption of office, statements of which must be reckoned as of his 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; or
- 3) within thirty (30) days after separation from the service, statements of which must be reckoned as of his last day of office.

¹ v. March 2016

LEGAL BASES

What law governs the filing of the SALN Form?

Republic Act No. 6713 otherwise known as the Code of Conduct and Ethical Standards for Public Officials and Employees

What form should be used?

The currently prescribed form is the one revised as of January 2015 per CSC Resolution No. 1500088 promulgated on January 23, 2015.

FEATURES OF THE SALN FORM

What are the important features of the SALN form?

- 1) The SALN form has been made 'user-friendly' so it is easy to fill up.
- 2) Its legal basis is RA No. 6713 (Code of Conduct and Ethical Standards for Public Officials and Employees) only, because it is the later law compared to RA No. 3019 (Anti-Graft Corrupt Practices Act).
- 3) There is a portion where spouses who are both government employees may indicate whether they are filing jointly or separately.
- 4) In the declaration of real properties, the form requires the exact location of the property.
- 5) The form clarifies that the Assessed Value and the Current Fair Market Value should be based on what is stated in the Tax Declaration of Real Property.
- 6) Several portions of the previous form have been removed like the amount and sources of gross income, amount of personal and family expenses and amount of income taxes paid, all of which were required to be declared under RA No. 3019 (Anti-Graft Corrupt Practices Act).
- 7) The declaration of nature of real properties is no longer required.
- 8) The subcategories (tangible, intangible) under personal properties were removed.
- 9) The subcategories (improvements, buildings) under acquisition cost were removed.
- 10) In the present form, the identification of relatives is required to be 'to the best of my knowledge'. All other declarations are required to be 'true and detailed.'

FILLING-OUT THE SALN FORM

In case declarant spouses are both in the government service, how should they file their SALN jointly?

In case of joint filing, all real and personal properties shall be declared including their respective paraphernal and capital properties, if there are any. After filling out the form, the spouses may reproduce the SALN Form as the number of copies is required, but their signatures should be original in the SALN Form to be submitted to their respective agencies.

If the declarant's spouse is not in the government service, or if the declarant is unmarried, what box should the declarant tick off in the top portion of the SALN referring to joint or separate filing of the SALN Form?

The declarant shall tick off the box marked as "Not applicable."

If my spouse is working in the private sector, is he/she still required to sign my SALN?

Yes, if the spouse is not a public officer or employee, the declarant shall still cause him/her to sign the SALN.

If the declarant was single during the preceding year and got married at the year of the filing of the SALN, what should be his/her status at the time of the filing of the SALN Form?

Declarant would still be single since the SALN Form refers to the preceding year. Hence, his/her properties shall still be declared as his own, and not community property or the property regime agreed upon at the time of marriage.

In the case of uniformed personnel, what should they indicate in the space requiring the position? Is it the rank or the designation?

Uniformed personnel are appointed to rank, thus, they should indicate their rank in the blank space for position.

DECLARATION OF REAL AND PERSONAL PROPERTIES

What is the meaning of 'living in declarant's household'?

Actual presence in the residence of the declarant.

Are children who are supported by the declarant but living outside the household due to studies included in the declaration?

No, actual presence in the residence of the declarant is what the law contemplates.

Why do I need to declare the property of my spouse and unmarried children below (18) years of age living in my household?

It is required by RA No. 6713.

What is the basis of requiring the signature of spouse?

The properties of the declarant's spouse are required by law to be disclosed, hence, he/she is required to certify the correctness of such declaration.

If declarant and spouse are separated in fact or legally separated, is the declarant's spouse still required to sign the SALN?

Spouses who are separated in fact or legally separated are still considered husband and wife, hence, the declarant's spouse is still required to sign the SALN Form.

What if the said spouse refuses to sign the declarant's SALN?

The declarant just has to attach an explanation why no signature of spouse is present in the SALN.

What is the assessed value and current fair market value?

For purposes of the SALN, the amounts found in the tax declaration of real properties shall be used as the basis for the declaration.

How are mortgaged properties declared in the SALN?

Mortgaged properties are already under the name of the declarant. Hence, the mortgaged properties shall be declared either under real or personal properties. The acquisition cost to be declared shall be the actual purchase price. However, the declarant should declare the outstanding balance of the mortgage loan as of December 31 of the preceding year under Liabilities.

Should insurance policies be declared in the SALN?

Yes, under personal properties. The amount to be disclosed under acquisition cost shall be the amount already paid.

Should pensions be declared in the SALN?

Pensions received for the year of declaration should be declared as personal property either cash on hand or cash in bank, as the case may be.

Should shares of stock be declared in the SALN?

Yes, shares of stock are personal properties. The acquisition cost shall be the total value of the shares of stocks as of December 31 of the preceding year.

How are earnings and income from other sources declared?

These shall either form part of the declarant's cash on hand or in bank which shall be determined as of December 31 of the preceding year.

How do we declare inherited properties?

Inherited properties are transferred to the heirs by operation of law. Hence, even without a transfer of the property under the name of the declarant, the latter shall declare his/her share in the inherited properties as his/her assets. For the acquisition cost, the declarant shall state zero (0). For real properties inherited, the declarant is required to provide the assessed value and current fair market value found in the tax declaration of the real properties concerned.

Do we have to declare minimal valued properties?

Yes, the law does not distinguish.

How do we declare minimal valued properties?

The declarant may declare minimal valued properties collectively, according to the nature/kind of the personal property like books; and the declarant may use "various years" as year acquired.

Is it not burdensome on the part of the declarant to declare all personal properties?

No, because properties of minimal value or with the same kind/nature may be declared in group/bulk.

Is there a ceiling on the price of property that we declare?

R.A. No. 6713 does not provide for a ceiling on properties to be declared.

DECLARATION OF LIABILITIES

How should credit card liabilities be declared?

The outstanding balance as of December 31 of the preceding year shall be declared.

Do we need to declare personal loans and the names of the creditors?

Yes, it shall be declared under liabilities.

DECLARATION OF INTEREST

How do I distinguish between financial connection and business interest?

Business interests refer to declarant's existing interest in any business enterprise or entity, aside from his/her income from government while financial connections refer to declarant's existing connections with any business enterprise or entity, whether as a consultant, adviser and the like, with an expectation of remuneration for services rendered.

RELATIVES BY AFFINITY, CONSANGUINITY PLUS INSO, BALAE AND BILAS

What is the extent of the fourth civil degree of affinity and consanguinity?

Relatives in the first degree of consanguinity include the declarant's father, mother, son and daughter. Relatives in the first degree of affinity include the declarant's father-in-law and mother-in-law.

Relatives in the second degree of consanguinity include the declarant's brother, sister, grandmother, grandfather, grandson and granddaughter. Relatives in the second degree of affinity include the declarant's brother-in-law, sister-in-law, grandmother-in-law, grandfather-in-law, granddaughter-in-law and grandson-in-law.

Relatives in the third degree of consanguinity include the declarant's nephew, niece, uncle and aunt. Relatives in the third degree of affinity include declarant's nephew-in-law, niece-in-law, uncle-in-law, auntie-in-law.

Relatives in the fourth degree of consanguinity include the declarant's first cousin.

Why do I need to declare Inso, Balae and Bilas?

It is required by the implementing rules of RA No. 6713, and it is included in the definition of relatives in the government under RA No. 6713.

SIGNATURE; OATH

Who are persons authorized to administer oath?

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.

Can a declarant take his/her oath before other persons authorized to administer oath such as notary public?

Yes.

ISSUES PERTAINING TO AUTHORITY OF OMBUDSMAN AND OTHER AGENCIES

What is the extent of authority given to the Ombudsman by virtue of the authorization executed together with the SALN?

The Ombudsman is authorized to obtain and secure from all appropriate government agencies, including the Bureau of Internal Revenue such documents that may show the declarant's assets, liabilities, net worth, business interests and financial connections.

Can the Office of the Ombudsman look into my bank accounts in private banks by virtue of the authorization in the SALN?

No, the authorization refers only to government agencies.

How about government banks which may be considered as "appropriate government agencies", are they also covered by the authority given to the Ombudsman?

No, banks, whether government or not, are covered by a special law (Secrecy of Bank Deposit Act [RA No. 1405]), hence, they are not included in the authorization.

Can the public request for a copy of the SALN Form of a government official/employee?

Yes, as long as they comply with the rules governing access to SALNs provided by the repository agencies.

LIST OF REPOSITORY AGENCIES²

The Chief/Head of the Personnel/Administrative Division or Unit/Human Resource Management Office (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:

REPOSITORY AGENCY²	OFFICERS AND EMPLOYEES
National Office of the Ombudsman	President; Vice President; Constitutional Officials - Chairpersons of Commission on Audit (COA), Commission on Election (COMELEC) and Civil Service Commission (CSC) - Commissioners of COA, COMELEC and CSC - Ombudsman and his Deputies
Secretary of the Senate	Senators
Secretary of the House of Representatives	Representatives (Congressmen/Congresswomen)
Clerk of Court of the Supreme Court	Justices of the Supreme Court, Court of Appeals, Sandiganbayan, and Court of Tax Appeals

² Updated per CSC Resolution No. 1500088 promulgated on January 23, 2015

Court Administrator	Judges of the Regional Trial Court, Metropolitan Trial Court, Municipal Trial Court in Cities, Municipal Trial Court, Municipal Circuit Trial Court, and Shari'a District Courts
Office of the President	<p>National executive officials, including, but not limited to the following:</p> <ul style="list-style-type: none"> - <i>Members of the Cabinet</i> - <i>Undersecretaries</i> - <i>Assistant Secretaries</i> - <i>Officials in the Foreign Service</i> - <i>Heads of government owned or controlled corporations with original charters and their subsidiaries</i> - <i>Heads of state colleges and universities</i> <p>Officers of the Armed Forces of the Philippines from the rank of Colonel or Naval Captain:</p> <ul style="list-style-type: none"> - <i>Colonel, Brigadier General, Major General, Lieutenant General and General (Army and Air Force)</i> - <i>Captain, Commodore, Rear Admiral, Vice Admiral and Admiral (Navy)</i> <p>Officers of the Philippine National Police from the rank of Senior Superintendent:</p> <ul style="list-style-type: none"> - <i>Chief Superintendent, Director, Deputy Director General and Director General</i> <p>Officers of the Philippine Coast Guard from the rank of Commodore:</p> <ul style="list-style-type: none"> - <i>Commodore, Rear Admiral, Vice Admiral and Admiral</i>
Deputy Ombudsman in their respective region (Luzon, Visayas or Mindanao)	<p>Regional officials and employees of the following offices:</p> <ul style="list-style-type: none"> - <i>Departments, bureaus and agencies of the National Government</i> - <i>Judiciary and Constitutional Commissions and offices</i> - <i>Government owned and/or controlled corporations with and without original charter, and their subsidiaries in the regions</i> - <i>State colleges and universities</i> <p>Provincial elective officials and employees including Governors, Vice-Governors and Sangguniang Panlalawigan Members;</p> <p>City and municipal elective officials and employees including Mayors, Vice-Mayors, Sangguniang Bayan/ Panlungsod Members and Barangay Officials;</p> <p>Officers of the Armed Forces of the Philippines (AFP) below the rank of colonel or naval captain:</p> <ul style="list-style-type: none"> - <i>Lieutenant Colonel, Major, Captain, 1st Lieutenant and 2nd Lieutenant (Army and Air Force)</i> - <i>Commander, Lieutenant Commander, Lieutenant Senior Grade, Lieutenant Junior Grade and Ensign (Navy)</i>

	<ul style="list-style-type: none"> - <i>Other enlisted officers</i> <p>Officers of the Philippine National Police (PNP) below the rank of Senior Superintendent:</p> <ul style="list-style-type: none"> - <i>Superintendent, Chief Inspector, Senior Inspector and Inspector</i> - <i>Other police officers</i> <p>Officers of the Philippine Coast Guard (PCG) below the rank of Commodore:</p> <ul style="list-style-type: none"> - <i>Captain, Commander, Lieutenant Commander, Lieutenant, Lieutenant Junior Grade and Ensign</i>
Civil Service Commission	<p>All other officials and employees in the central/main/national offices of the following:</p> <ul style="list-style-type: none"> - <i>Departments, bureaus and agencies of the National Government</i> - <i>Judiciary and Constitutional Commissions and offices</i> - <i>Government owned and/or controlled corporations with and without original charters, and their subsidiaries in the regions</i> <p>All other appointive officials and employees of the Legislature;</p> <p>All civilian personnel of the AFP;</p> <p>All other central officers (uniformed personnel) below the rank of Senior Superintendent as well as all non-uniformed personnel of the PNP;</p> <p>All other central officers below the rank of Commodore as well as all civilian personnel of the PCG</p>

GUIDELINES IN THE FILLING OUT OF THE STATEMENT OF ASSETS, LIABILITIES AND NET WORTH (SALN) FORM

I. OBJECTIVES

- To enjoin all public officers and employees to declare and submit annually a 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 who are in government service;
- To ensure that the assets, liabilities, net worth, financial connections and business interests of the declarant's spouse and unmarried children below eighteen (18) years of age living in declarant's household are also disclosed.

II. SCOPE

All officials and 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, shall be covered by these guidelines.

GOCC refers to any agency organized as a stock or nonstock corporation, vested with functions relating to public needs whether governmental or proprietary in nature, and owned by the Government of the Republic of the Philippines directly or through its instrumentalities either wholly or, where applicable as in the case of stock corporations, to the extent of at least a majority of its outstanding capital stock.

Those serving in honorary capacity, laborers and casual or temporary workers are exempted from filing the SALN. However, those holding career positions under temporary status are required to file their SALN.

III. RULES IN ACCOMPLISHING THE STATEMENT OF ASSETS, LIABILITIES AND NET WORTH (SALN) FORM

A. APPLICABLE LAW

For purposes of declaring one's assets, liabilities and net worth, the governing law shall be Republic Act No. 6713 or the Code of Conduct and Ethical Standards for Public Officials and Employees.

B. CONTENTS OF THE STATEMENT OF ASSETS, LIABILITIES AND NET WORTH (SALN) FORM

1. BASIC INFORMATION

- a. Spouses who are both public officers and employees shall have the option to file their SALN either jointly or separately.
- b. In case the declarant is single or married but whose spouse is not in the government service, he/she shall tick off the box marked as "Not Applicable."
- c. In case of joint filing, all real and personal properties shall be declared including their respective paraphernal and capital property, if there are any.
- d. The change of civil status of the declarant after December 31 of the preceding year shall not affect the nature of the properties declared.
- e. The declarant shall provide information on his/her address. However, whenever a third party requests for a copy of the SALN Form of the declarant, the agency has the option to shade the declarant's address for purposes of security.
- f. Declarant must provide the information required for all his/her unmarried children below eighteen (18) years of age and living in his/her household, whether legitimate or illegitimate.

2. ASSETS, LIABILITIES AND NET WORTH

- a. The SALN shall contain a true and complete declaration of assets, liabilities and net worth, including a disclosure of business interests and financial connections of the declarant, his/her spouse and unmarried children below eighteen (18) years of age living in his/her household. It shall also contain a disclosure of the declarant's relatives within the fourth degree of consanguinity and affinity who are in government service.
- b. For purposes of convenience in the computation of net worth, where the declarant's spouse has capital or paraphernal properties or where the declarant's unmarried children below eighteen (18) years of age living in his/her household have their own properties, the declarant should declare the assets and liabilities of his/her spouse on a separate

sheet attached to the SALN Form, see sample attached. For purposes of such declaration, the provisions in these guidelines shall likewise apply.

- c. Assets include those within or outside the Philippines, whether real or personal, whether used in trade or business.
- d. Assets refer to declarant's real and personal properties, including those of his/her spouse and unmarried children below eighteen (18) years of age living in his/her household.

REAL PROPERTIES

- e. Declaration of real properties shall include its description, kind, location, year and mode of acquisition, assessed value, fair market value, acquisition cost of land, building, *etc.* including improvements thereon.
- f. Real properties refer to properties which are immovable by nature. For purposes of SALN, the kind of real properties are classified according to their use, that is, residential, commercial, agricultural, industrial, or mixed use and the like.
- g. The declarant shall indicate a description of the real properties, whether it is a land only or land with building, a house and lot, condominium unit, or an improvement such as an extension or garage, and the like.
- h. Assessed value shall, for purposes of declaration in the SALN, refer to the amount indicated in the tax declaration of the real properties involved.
- i. Fair market value shall, for purposes of declaration in the SALN, refer to the amount indicated as market value in the tax declaration of the real properties concerned.
- j. Improvements refer to all works that are constructed or introduced to the land, or repairs or improvements made to the land or building after its initial acquisition.
- k. In declaring an improvement to the land, the declarant may opt to declare it separately or together with the land to which such improvement is attached.

- l. Acquisition cost is the amount of money paid to acquire or own something. This shall also refer to the amount of expenses incurred for improvements introduced on a real property. For purposes of computing the declarant's net worth, the acquisition cost shall be made the basis thereof.
- m. The declarant shall indicate those real properties which are already titled or registered under his/her name, the name of his/her spouse or under the name of his/her unmarried children below 18 years of age and living in the declarant's household. However, real properties already covered by a deed of sale, inherited or subject of an extra-judicial settlement of estate but not yet titled under declarant's name shall also be disclosed.
- n. In the case of properties received gratuitously, e.g. donation or inheritance, no acquisition cost shall be declared. However, the fair market value and the assessed value of said properties as found in the tax declaration thereof must be declared.

PERSONAL PROPERTIES

- o. Declaration of personal properties shall include mode, year and cost of acquisition, or the value or amount of said personal properties.
- p. Personal properties refer to jewelry, appliances, furniture, motor vehicles and other tangible/movable properties. This shall also include investments or other assets, such as cash on hand or in bank, negotiable instruments, securities, stocks, bonds, and the like.
- q. Personal properties collectively acquired or are of minimal value may be declared generally or collectively. In which case, the declarant may write/indicate "various years" under the column for Year Acquired.
- r. Personal properties, such as cash on hand and in bank, as well as stocks and the like, denominated in foreign currency shall be converted into the corresponding Philippine currency equivalent, at the rate of exchange prevailing as of December 31 of the preceding calendar year.
- s. The amount of money/cash in bank to be declared should be the last balance as of December 31 of the preceding year.

- t. In case of properties which are co-owned with other individuals, the declarant shall disclose the proportionate amount of his share in the property.
- u. With regard to properties subject of a contract to sell, the amount already paid shall be declared as personal property.
- v. Properties which are subject of either a chattel or real estate mortgage shall be declared in the SALN Form. The acquisition cost to be declared shall be the actual purchase price, and the liability to be declared shall be the outstanding balance of the loan as of December 31 of the preceding year.

LIABILITIES

- w. Under liabilities, the nature of liability, name of creditors and the outstanding balance shall be indicated. The outstanding balance shall refer to the amount of money that is still due as of December 31 of the preceding calendar year.
- x. Liability refers to financial liability or anything that can result to a transfer or disposal of an asset. It includes not only those incurred by the declarant but also those of his/her spouse and unmarried children below eighteen (18) years of age living in his/her household.
- y. Nature of liability refers to the type of loan obtained from banks, financial institutions, GSIS, PAG-IBIG and others, such as personal, multi-purpose, salary, calamity loan and the like.
- z. Outstanding balance refers to the amount of money that one still owes on the loan as of December 31 of the preceding calendar year.

3. COMPUTATION OF NET WORTH

- a. Net worth is the sum of all assets (real and personal) less total liabilities.
- b. In the case of real properties, the acquisition cost shall be used in the computation of the net worth.
- c. In the case of personal properties, the acquisition cost or amount/value of money shall be used in the computation of the total net worth.

- d. Excluded from the computation of real and personal properties are the properties of unmarried children below 18 years of age living in the declarant's household.
- e. If the spouse of the declarant is not a public officer or employee, the latter's paraphernal or capital properties shall not be included in the computation of the declarant's net worth.
- f. Paraphernal property refers to the properties exclusively owned by the wife.
- g. Capital property refers to the properties exclusively owned by the husband.
- h. Community property refers to all the properties owned by the spouses at the time of the celebration of the marriage or acquired thereafter, subject to the exceptions provided for by law (Articles 91, Family Code of the Philippines). In the absence of any marriage settlement, the property relations of the spouses shall be governed by the rules on absolute community of property under the Family Code of the Philippines.

The following are excluded from the community property:

- (1) Property acquired during the marriage by gratuitous title by either spouse, and the fruits as well as the income thereof, if any, unless it is expressly provided by the donor, testator or grantor that they shall form part of the community property;
 - (2) Property for personal and exclusive use of either spouse. However, jewelry shall form part of the community property;
 - (3) Property acquired before the marriage by either spouse who has legitimate descendants by a former marriage, and the fruits as well as the income, if any, of such property. (Article 92, Family Code of the Philippines)
- i. Conjugal property refers to all properties acquired during the marriage, whether the acquisition appears to have been made, contracted or registered in the name of one or both spouses, unless proven to be excluded (Article 116, Family Code of the Philippines). This applies when the spouses agreed to be governed by the rules on

the conjugal partnership of gains under the Family Code of the Philippines.

The following are conjugal partnership properties:

- (1) Those acquired by onerous title during the marriage at the expense of the common fund, whether the acquisition be for the partnership, or for only one of the spouses;
- (2) Those obtained from the labor, industry, work or profession of either or both of the spouses;
- (3) The fruits, natural, industrial, or civil, due or received during the marriage from the common property, as well as the net fruits from the exclusive property of each spouse;
- (4) The share of either spouse in the hidden treasure which the law awards to the finder or owner of the property where the treasure is found;
- (5) Those acquired through occupation such as fishing or hunting;
- (6) Livestock existing upon the dissolution of the partnership in excess of the number of each kind brought to the marriage by either spouse; and
- (7) Those which are acquired by chance, such as winnings from gambling or betting. However, losses therefrom shall be borne exclusively by the loser-spouse. (Article 117, Family Code of the Philippines)

Prior to the enactment of the Family Code of the Philippines in 1987, when there is no marriage settlement between the spouses, their property relations are covered by the rules on conjugal partnership of gains.

- j. If the spouse of the declarant is a public officer or employee, but who chose to separately file his/her SALN, his/her paraphernal or capital properties shall not be included in the computation of the declarant's net worth.
- k. In case of joint filing, the total assets of the spouses shall include their respective paraphernal or capital properties.

1. In case of joint filing, the declarant's total net worth and that of his/her spouse shall be the difference between the total assets (real and personal properties) less the total liabilities.

4. FINANCIAL CONNECTIONS AND BUSINESS INTERESTS

- a. The declarant, including that of his/her spouse and unmarried children below eighteen (18) years of age living in declarant's household, shall declare their existing interest or connection in any business enterprise or entity, aside from income from government. They shall also indicate the business address, nature of business interest and/or financial connection, and date of acquisition of interest or connection.
- b. In case there are no existing business interests and financial connections in any business enterprise or entity, the declarant shall tick off the appropriate box in the form.
- c. Business interests refer to declarant's existing interest in any business enterprise or entity, aside from his/her income from government, which shall also include those of his/her spouse and unmarried children below eighteen (18) years of age living in his/her household.
- d. Financial connections refer to declarant's existing connections with any business enterprise or entity, whether as a consultant, adviser and the like, with an expectation of remuneration for services rendered, including those of his/her spouse and unmarried children below eighteen (18) years of age living in his/her household.
- e. Nature of business interest and/or financial connection refers to existing interest or connection in any business enterprise, whether as proprietor, investor, promoter, partner, shareholder, officer, managing director, executive, creditor, lawyer, legal consultant or adviser, financial or business consultant, and the like.

5. RELATIVES IN THE GOVERNMENT

- a. The declarant shall disclose his/her relatives in the government within the 4th civil degree of relationship, either by consanguinity or affinity. The disclosure shall also state his/her relationship with the relative, the position of the relative as well as the name of office/agency and address.

- b. In case the declarant and his/her spouse jointly file their SALN, they shall indicate all their relatives within the fourth civil degree, either by consanguinity or affinity, and shall include the above-mentioned information.
- c. In case the declarant has no relatives in the government within the 4th civil degree of relationship, either by consanguinity or affinity, including *bilas*, *inso* and *balae*, the declarant shall tick off the appropriate box in the form.
- d. Affinity refers to the relationship of a husband to the blood relatives of his wife, or a wife to the blood relatives of her husband.
- e. Consanguinity refers to the relationship by blood from the same stock or common ancestor.
- f. Relatives in the government refer to the declarant's relatives up to the 4th civil degree of relationship, either by consanguinity or affinity, including *bilas*, *inso* and *balae*.¹

Relatives in the first degree of consanguinity include the declarant's father, mother, son and daughter. Relatives in the first degree of affinity include the declarant's father-in-law and mother-in-law.

Relatives in the second degree of consanguinity include the declarant's brother, sister, grandmother, grandfather, grandson and granddaughter. Relatives in the second degree of affinity include the declarant's brother-in-law, sister-in-law, grandmother-in-law, grandfather-in-law, granddaughter-in-law and grandson-in-law.

Relatives in the third degree of consanguinity include the declarant's nephew, niece, uncle and aunt. Relatives in the third degree of affinity include declarant's nephew-in-law, niece-in-law, uncle-in-law, auntie-in-law.

Relatives in the fourth degree of consanguinity include the declarant's first cousin.

- g. *Balae* refers to a parent of the declarant's son-in-law or daughter-in-law.

¹ Definition under RA No. 6713

- h. *Bilas* refers to a declarant's brother-in-law's wife or sister-in-law's husband.
- i. *Inso* refers to the appellation for the wife of an elder brother or male cousin.²

6. OTHER MATTERS

- a. In order to prevent unauthorized insertions or pulling out of pages, pagination shall read as page 1 of number of pages, page 2 of number of pages, and so on.
- b. In case of joint filing, the declarant and his/her spouse shall sign in the spaces provided for just below the certification.
- c. If the spouse is not a public officer or employee, the declarant shall still cause him/her to sign the SALN.
- d. In case of non-compliance with the signature of the spouse, an explanation should be attached to the SALN Form for such non-compliance.
- e. The heads of agencies can delegate the authority to administer oath with regard to the SALN Form. The authority to administer oath must be in writing.
- f. Head of agency shall include the head of office and/or the head of regional offices of such agency/office.
- g. The declarant is strictly required to fill all applicable information in the SALN form. Otherwise, such items should be marked with "N/A" or "not applicable."
- h. Filling up of the form may be handwritten, computerized or typewritten provided the signature of the declarant is original. The declarant is required to write legibly if he chose to fill up the form by handwriting.
- i. Additional sheets may be used, if necessary. The additional sheet shall indicate the name of the declarant, his/her position and agency

² www.bansa.org/dictionaries

name, the year covered by the SALN, and which shall be signed on each page.

- j. No unnecessary markings shall be made on the form.

7. REVIEW AND COMPLIANCE COMMITTEE

For purposes of the submission of the new SALN Form for the year 2012, the Review and Compliance Procedure in the Filing and Submission of the Statement of Assets, Liabilities and Net Worth (SALN) and Disclosure of Business Interests and Financial Connections (CSC Memorandum Circular No. 10, s. 2006), as amended, shall be applied by the government agencies and offices.

8. SANCTION

1. Public Officials and Employees. Any of the following acts shall constitute a violation of Section 8 of R.A. No. 6713 or the Code of Conduct and Ethical Standards for Public Officials and Employees, and shall be punishable by suspension of one (1) month and one (1) day to six (6) months for the first offense, and dismissal from the service for the second offense:

1. Failure of an official or employee to submit his/her SALN; and
2. Failure to disclose or misdeclaration of any asset, liability, business interest, financial connection, and relative in the government in his/her SALN.

2. Head of Agency. Any head of agency who shall fail to comply with CSC Memorandum Circular No. 10, s. 2006, in relation to the Review and Compliance Procedure in the Filing and Submission of the SALN Form shall be liable for Simple Neglect of Duty, which shall be punishable by suspension of one (1) month and one (1) day to six (6) months for the first offense, and dismissal from the service for the second offense.

9. REPEALING CLAUSE

All previous issuances pertaining to the SALN Form and its guidelines are hereby expressly repealed.

10. PUBLICATION/EFFECTIVITY

These Guidelines shall be prospective in application and shall take effect after fifteen (15) days from its publication in a newspaper of general circulation.

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