



REPUBLIC OF THE PHILIPPINES  
OFFICE OF THE PRESIDENT  
**METROPOLITAN MANILA DEVELOPMENT AUTHORITY**  
(Pangasiwan Sa Pagpapaunlad aNg Kalakhang Maynila)  
**ISO 9001:2015 CERTIFIED**



June 13, 2022

**MEMORANDUM CIRCULAR NO. 0005**

Series of 2022

**FOR : ALL OFFICIALS AND EMPLOYEES**  
*This Authority*

**SUBJECT : PRESCRIBING GUIDELINES ON THE REVIEW AND COMPLIANCE  
PROCEDURE IN THE FILING AND SUBMISSION OF STATEMENT OF  
ASSETS, LIABILITIES AND NETWORTH (SALN) AND DISCLOSURE OF  
BUSINESS INTEREST AND FINANCIAL CONNECTIONS OF  
EMPLOYEES OF THE METROPOLITAN MANILA DEVELOPMENT  
AUTHORITY (MMDA)**

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**Rationale**

It has been observed that some of the employees fail to file their Statement of Assets, Liabilities and Networth (SALN) on time especially those assigned in field offices.

Considering that all government employees are required to submit their SALNs, it is necessary to set guidelines and procedures for the filing of the same for them to further understand how these are filled up, when these SALNs will be filed, including the importance of submitting the same to the concerned government offices.

These guidelines are in accordance with Section 10 of the Code of Conduct and Ethical Standards for Public Officials and Employees (RA 6713), CSC Memorandum Circular No. 3, s. 2015, CSC Resolution No. 1300455 dated March 4, 2013 and Memorandum Circular No. 2022-1 issued on March 24, 2022 by the Inter Agency Task Force on the Harmonization of National Government Performance Monitoring, Information and Reporting System.

**Objectives**

To enjoin all MMDA 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.

**Coverage**

These Guidelines shall cover Presidential Appointees, Co – terminous, Permanent, Casual and Temporary employees.

**Guidelines:**

**1. Filing and Submission of SALN**

1.1. All Presidential Appointees, Co – terminous, Permanent, Casual and Temporary employees shall file under oath their SALN and Disclosure of Business Interest and Financial Connections to the Administrative Service, based on any of the following:

1.1.1. Within thirty (30) days after assumption of office, statements of which must be reckoned as of his/her first day of office;

1.1.2. On or before April 30<sup>th</sup> of every year thereafter, statements of which must be reckoned as of the end of the preceding year; and,

1.1.3. Within thirty (30) days after separation from the service, statements of which must be reckoned as of his/her last of office.

1.2. Employees are strictly required to fill in all applicable information and/or make a true and detailed statement in their SALNs. Items not applicable should be marked "N/A" (not applicable).

**2. Persons Authorized to Review and Evaluate the Submitted SALN**

There shall be a designated Review and Compliance Committee to receive, through the Administrative Service and to evaluate if the same has been submitted on time, complete and in proper form, and render opinion interpreting the provisions on review and compliance procedure in the filing thereof.

**3. The Review and Compliance Committee shall prepare a list of the following employees, in alphabetical order to be submitted to the Personnel Transaction Division, Administrative Service on or before May 15<sup>th</sup> of every year:**

3.1. Those who filed their SALNs with complete data;

3.2. Those who filed SALNs but with incomplete data; and

3.3. Those who did not file their SALNs.

**4. Ministerial duty of the Head of the Administrative Service to Issue Compliance Order**

Immediately upon receipt of the aforementioned list and recommendation from the Chairman of the SALN Review and Compliance Committee, it shall be the ministerial duty of the Head of Administrative Service to issue order requiring those who have incomplete data in their SALN to correct/supply the information and those who did not file/submit SALNs to comply within non-extendable period of three (3) days from receipt of the said order.

## 5. Rules in Accomplishing the SALN Form

### 5.1. Basic Information

- 5.1.1. Spouses who are both public officers and employees shall have the option to file their SALN either jointly or separately.
- 5.1.2. 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."
- 5.1.3. In case of joint filing, all real and personal properties shall be declared including their respective paraphernal and capital property, if there are any.
- 5.1.4. The change of civil status of the declarant after December 31 of the preceding year shall not affect the nature of the properties declared.
- 5.1.5. 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.
- 5.1.6. 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

### 5.2. Assets, Liabilities and Net Worth

- 5.2.1. 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
- 5.2.2. 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. For purposes of such declaration, the provisions in these guidelines shall likewise apply.
- 5.2.3. Assets include those within or outside the Philippines, whether real or personal, whether used in trade or business.
- 5.2.4. 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.

### 5.3. Real Properties

- 5.3.1. 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.
- 5.3.2. Real properties refer to properties which are immovable by nature.
- 5.3.3. 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.
- 5.3.4. 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.
- 5.3.5. Assessed value shall, for purposes of declaration in the SALN, refer to the amount indicated in the tax declaration of the real properties involved.
- 5.3.6. 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.
- 5.3.7. 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.
- 5.3.8. 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.
- 5.3.9. 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.
- 5.3.10. 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 extrajudicial settlement of estate but not yet titled under declarant's name shall also be disclosed.
- 5.3.11. 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.

### 5.4. Personal Properties

- 5.4.1. Declaration of personal properties shall include mode, year and cost of acquisition, or the value or amount of said personal properties.

- 5.4.2. 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.
- 5.4.3. 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.
- 5.4.4. 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.
- 5.4.5. The amount of money/cash in bank to be declared should be the last balance as of December 31 of the preceding year.
- 5.4.6. In case of properties which are co-owned with other individuals, the declarant shall disclose the proportionate amount of his share in the property.
- 5.4.7. With regard to properties subject of a contract to sell, the amount already paid shall be declared as personal property.
- 5.4.8. 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.

## 5.5. Liabilities

- 5.5.1. 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.
- 5.5.2. 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.
- 5.5.3. 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.
- 5.5.4. Outstanding balance refers to the amount of money that one still owes on the loan as of December 31 of the preceding calendar year.

## 5.6. Computation of Net Worth

- 5.6.1. Net worth is the sum of all assets (real and personal) less total liabilities.

- 5.6.2. In the case of real properties, the acquisition cost shall be used in the computation of the net worth.
- 5.6.3. 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.
- 5.6.4. 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.
- 5.6.5. 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.
- 5.6.6. Paraphernal property refers to the properties exclusively owned by the wife.
- 5.6.7. Capital property refers to the properties exclusively owned by the husband.
- 5.6.8. 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 Annex A 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)
- 5.6.9. 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)

5.6.10. 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.

5.6.11. 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.

5.6.12. 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

5.7. Assets and/or properties acquired, donated or transferred for a particular year, but were not declared in their SALN for that year, as the same came to his/her knowledge only after he/she filed, corrected and/or submitted his/her SALN, must be declared or reflected in the next or succeeding SALN.

## **6. Sanction for Failure to Comply/Issuance of a Show – Cause Order**

Failure to correct/submit SALN in accordance with the procedure and within the given period shall be a ground for disciplinary action. From the recommendation of the Chairman of the SALN Review and Compliance Committee, a show – cause order shall be issued directing the concerned employee to submit his/her comment or counter –

affidavit; and if the evidence so warrants, the conduct of administrative proceedings pursuant to the 2017 Rules on Administrative Cases in the Civil Service shall commence.

Sec. 4 Rule VIII of RA No. 6713 known as the "**Rules Implementing the Code of Conduct and Ethical Standards for Public Officials and Employees**" provides that the penalty for failure to file SALN shall be:

- 1<sup>st</sup> Offense - Suspension for one (1) month and one (1) day to six (6) Months
- 2<sup>nd</sup> Offense - Dismissal from the Service

Further, those who fail to file their SALNs shall not be included in the grant of PBB pursuant to the Guidelines on Performance – Based Bonus (PBB) issued by the Inter – Agency Task Force on the Harmonization of National Government Performance Monitoring, Information and Reporting Systems (Administrative Order No. 25, S. 2011).

**7. Transmittal of all Submitted SALN to the Concerned Agencies on or Before June 30<sup>th</sup> of Every Year**

The Administrative Service shall transmit all original copies of the SALNs received to the concerned government offices on or before June 30<sup>th</sup> of every year.

**8. Filing and Submission of the Statement of Assets, Liabilities and Net Worth During Emergency or State of Calamity**

8.1. During exceptional circumstances when on or around the date of filing of SALN, the whole or part of Metro Manila and its neighboring provinces are placed or declared under emergency status or under state of calamity by executive or local or national legislative issuance causing limited movement of citizens due to danger to public health and public safety or preventing the normal way of life of citizens, the CSC Memorandum (MC) No. 6, S. 2021 entitled "**Filing and Submission of the Statement of Assets, Liabilities and Net Worth During Exceptional Circumstances**", shall apply.

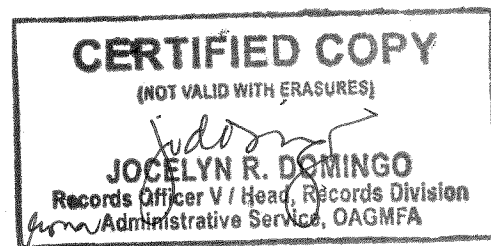
**9. Repealing Clause**

All issuances inconsistent with these Guidelines are deemed repealed or modified accordingly.

**10. Effectivity**

This Memorandum Circular shall take effect immediately.

  
ATTY. ROMANDO S. ARTES, CPA  
Chairman 



Re: 21 JUN 2022



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