



Republic of the Philippines
DEPARTMENT OF LABOR AND EMPLOYMENT
Intramuros, Manila

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DEPARTMENT ORDER NO. 34-D2
Series of 2002

In the interest of the service and to streamline the procedures relative to all donations or grants, whether in cash or in kind, in favor of the Department of Labor and Employment (DOLE) from local and foreign donor agencies, the following guidelines are hereby prescribed for all DOLE offices and Attached Agencies (AAs):

General Policies:

1. Only donations or grants relevant to the functions of the donee may be accepted.
2. Such donations or grants shall be in accordance with the provisions of the General Appropriations Act (GAA) on Donations (Section 12 of GAA 2002).

Donations or grants from foreign sources or governments shall be further governed by Department of Budget and Management/Commission on Audit/Department of Finance (DBM/COA/DOF) Joint Circular No. 2-97 and acceptance shall be subject also to the prior clearance and approval of the President of the Philippines, upon recommendation of the Secretary of Foreign Affairs.

3. Upon acceptance by the Heads of DOLE offices and Attached Agencies, said donations or grants shall be accounted for as DOLE funds and DOLE property and shall be deemed automatically appropriated for purposes as specified by the donor.
4. Said purposes refer to carrying out or pursuing the functions, missions and objectives of the office in accordance with its mandate. Donations from individuals, corporations or entities with pending cases before DOLE or those with on-going transactions with DOLE such as suppliers, bidders, consultants and the like cannot be accepted.

Donation/s in cash

5. The donation or grant proceeds in the form of cash or checks shall be received by DOLE – Central Office (CO) through the Financial and Management Service (FMS) or its counterpart in the Regional Office (RO) or Attached Agency (AA) or overseas labor posts for which an Acknowledgement Receipt shall be issued for the purpose. It shall be deposited to the Bureau of Treasury (BTr) which in turn shall issue an Official Receipt (OR) and Certification.
6. The DOLE through FMS or its counterpart in the AA shall immediately request Special Allotment Release Order (SARO) and Notice of Cash Allocation (NCA) from the DBM, attaching copies of the OR/s and the certification of actual receipt of grant from BTr as well as the Work and Financial Plan.

7. Cash or check donation or grants shall be used solely for eligible expenditures as stipulated in the donation or grant document while disbursements shall be in accordance with DOLE, DBM and COA rules and regulations. The disbursements may include interfund transfer thru Advice of Disbursement Limit (ADL) from CO to ROs as may be provided in the donation or grant document and the Work & Financial Plan.
8. The donation or grant shall be maintained by FMS-DOLE or its counterpart in the RO or AA in its book of accounts under Special Account in the General Fund. Donation or grants for the Bureaus and Services shall be recorded and monitored by the FMS.
9. The ROs, Bureaus and Services shall ensure that activities enumerated in the approved Work and Financial Plans are implemented accordingly. In the case of re-alignment of funds, they shall seek clearance and approval from the local or foreign donor prior to adjustment/s or deviation/s, duly endorsed by the Secretary of Labor and Employment.
10. Quarterly reports on the utilization of funds shall be submitted by project implementors to the donor agency, DBM, COA, Senate Committee on Finance and House Committee on Appropriations in accordance with existing policies, after the purpose has been served, copy furnished FMS.
11. The ROs, Bureaus or Services which received funding donations/grants should liquidate by issuing a Certificate of Liquidation to the donor agency within one (1) month upon completion of the project/s copy furnished FMS.
12. Unused funds shall be turned over by DOLE to the donor agency after termination of the project in accordance with the donation/grant agreement, unless prior approval from the local or foreign donor has been granted for the use of the unutilized funds for implementation of other related program/s, with proper endorsement and approval by the Secretary of Labor and Employment.

Donation/s in kind

13. Property donated shall be owned by the DOLE, in the name of DOLE, properly accounted for, and shall be used exclusively for official use of the office.
14. The head of the office, bureau, service or labor attache post shall represent the DOLE as Donee in acquiring property through donation/contribution. The Secretary of Labor and Employment shall represent DOLE as Donee for donations from foreign sources/governments, upon recommendation of the Secretary of Foreign Affairs and prior approval of the Office of the President (OP).
15. A Deed of Donation shall be executed by the donor agency, or the donor government, private entity or individual as the case may be, and by the DOLE, through their authorized representative/s. Said Deed shall contain among others, the following:
 - a. Names of Donor and Donee and the agencies they represent;
 - b. Number, item, description and cost of the property donated; and

- c. Voluntary transfer of ownership, conveyance of property by the Donor to the Donee and the right of the latter to hold and use the donated property absolutely.
16. The Deed of Donation shall be sent to the Office of the Secretary for approval, together with the following:
- a. Certificate of original ownership/invoice of said property in favor of the Donor, as may be applicable;
 - b. Insurance coverage as the case may be;
 - c. Pertinent papers about the property;
 - d. Request for Authority to import/accept donated property from the Department of Finance (DOF); and
 - e. Official Receipt/Acknowledgment Receipt.

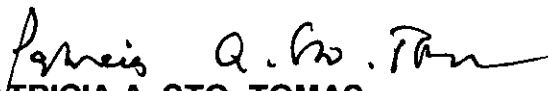
Donations from foreign sources/governments, however, shall be covered by proposed Deed of Donation for submission to DFA and OP through the DOLE Secretary.

17. The Deed of Donation, once approved, together with the duly accomplished Memorandum Receipt and other required documents attached to it, shall be forwarded to the FMS-DOLE or its counterpart in the Regional Office or Attached Agency, as the case may be, for proper entry in DOLE's Books of Accounts and in the Inventory of Equipment.
18. Taxes/duties/fees that may be imposed on the property may be paid by the DOLE, subject to DOF, BIR, BOC rules and regulations and the availability of funds.
19. Copies of all Deeds of Donations (local or foreign) shall be furnished the Internal Affairs Cluster semi-annually for monitoring and preparation of regular reports to the Senior Officials for their information.

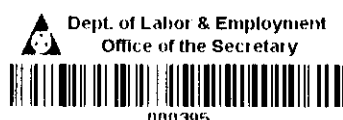
A procedural flow of the above-stated process is attached and shall form part of these Guidelines.

In case of violation of this D.O., the erring officials and employees shall be subject to disciplinary action under the provisions of Section 43, Chapter 5 and Section 80, Chapter 7, Book VI of E.O. No. 292 and to appropriate criminal action under existing penal laws.


This Order supersedes A.O. No. 172 (series of 1995) and other issuances inconsistent herewith and takes effect immediately.


PATRICIA A. STO. TOMAS
Secretary

13 December 2002
fn: DO-donations.grants/wmm



DISSEMINATED BY AS-RECORDS SECTION ON 12-26 2002

 Department of Labor and Employment Procedures Manual	PM-DOLE	0__-0__
Office: All Regional Offices, Bureau, Services and Attached Agencies	Revision Code: 0	Page 1 of 4
Division: Donee/s or Grantee/s	Effectivity Date: December __, 2002	
Subject: Procedural Flow of Donation/s or Grant/s		

1.0 Objective/s:

To streamline the procedures relative to all donations or grants, whether in cash or in kind, donated or granted to the Department of Labor and Employment (DOLE) by local or foreign donor agency or private entity or individual.

2.0 Scope:

This procedure covers activities from the time a local or foreign donor agency or private entity or individual signifies its intention to donate or grant, whether donation or grant in cash or in kind, in support to the DOLE project/s or function/s, to the turnover of unused funds to the donor agency after termination of the project in accordance with the donation or grant agreement.

3.0 Definition of Terms/Acronym Used:

3.1 Definition of Terms

Term	Definition
None	N/A

3.2 Acronyms used (if there is any):

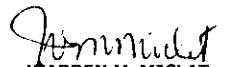

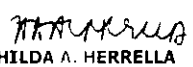
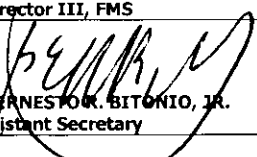
Acronym	Term
GAA	- General Appropriations Act
SARO	- Special Allotment Release Order
NCA	- Notice of Cash Allocation
GF	- General Fund
ADL	- Advice of Disbursement Limit


4.0 Legal Bases of the Services/Procedure:

Issuance	Date Issued	Subject
GAA 2002 (RA 9162)	December 22, 2001	General Provisions
Joint Circular 2-97	March 21, 1997	Revised and Updated Budgeting and Accounting Guidelines and Procedures Applicable to Foreign-Assisted Projects (FAPs) Implementation by National Government Agencies and Government Owned and Controlled Corporations

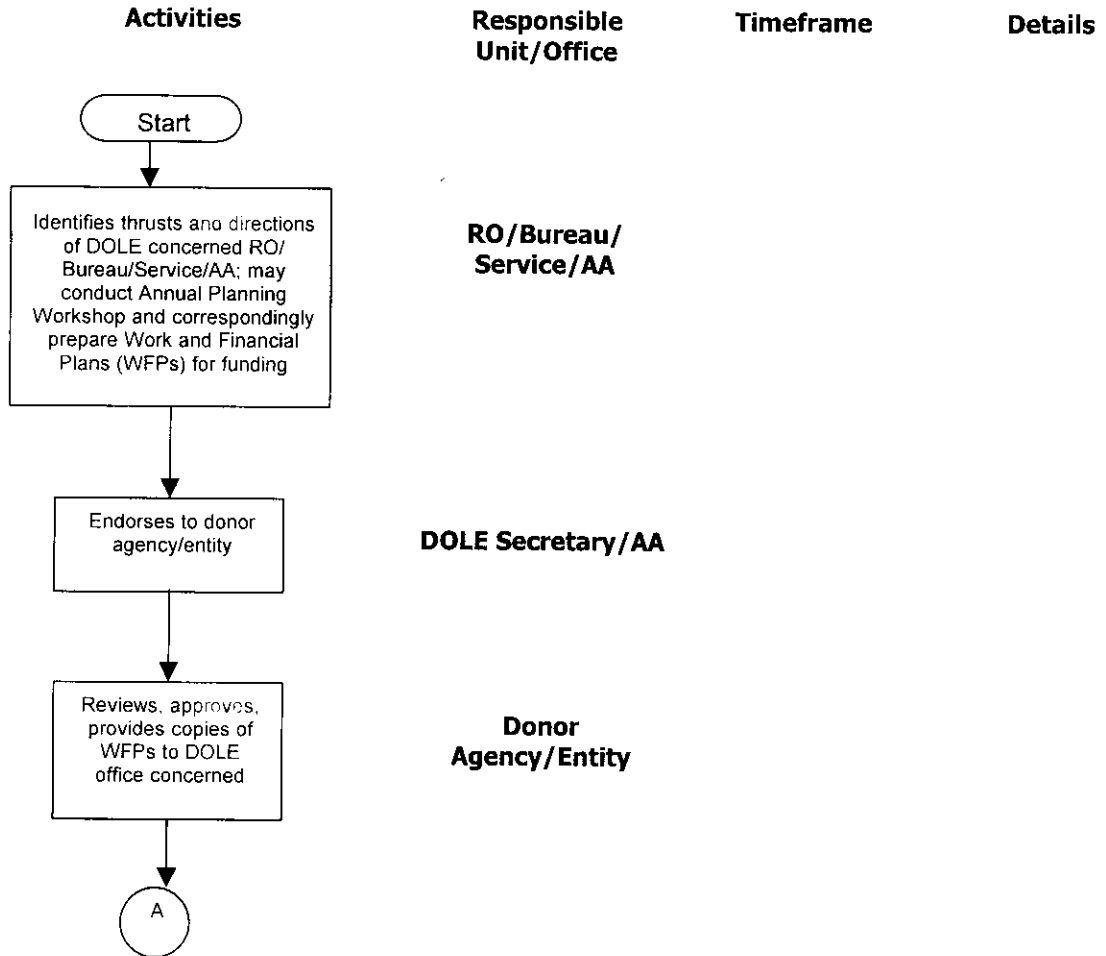
5.0 Service Fees/Charges, if any:

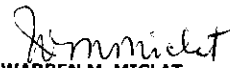


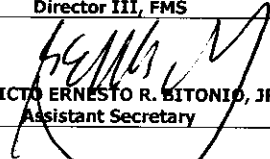
Nature of Fees/Charges	Amount
None	N/A


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Issuance Date:	

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6.0 Procedures:



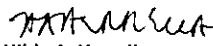




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	Issuance Date:

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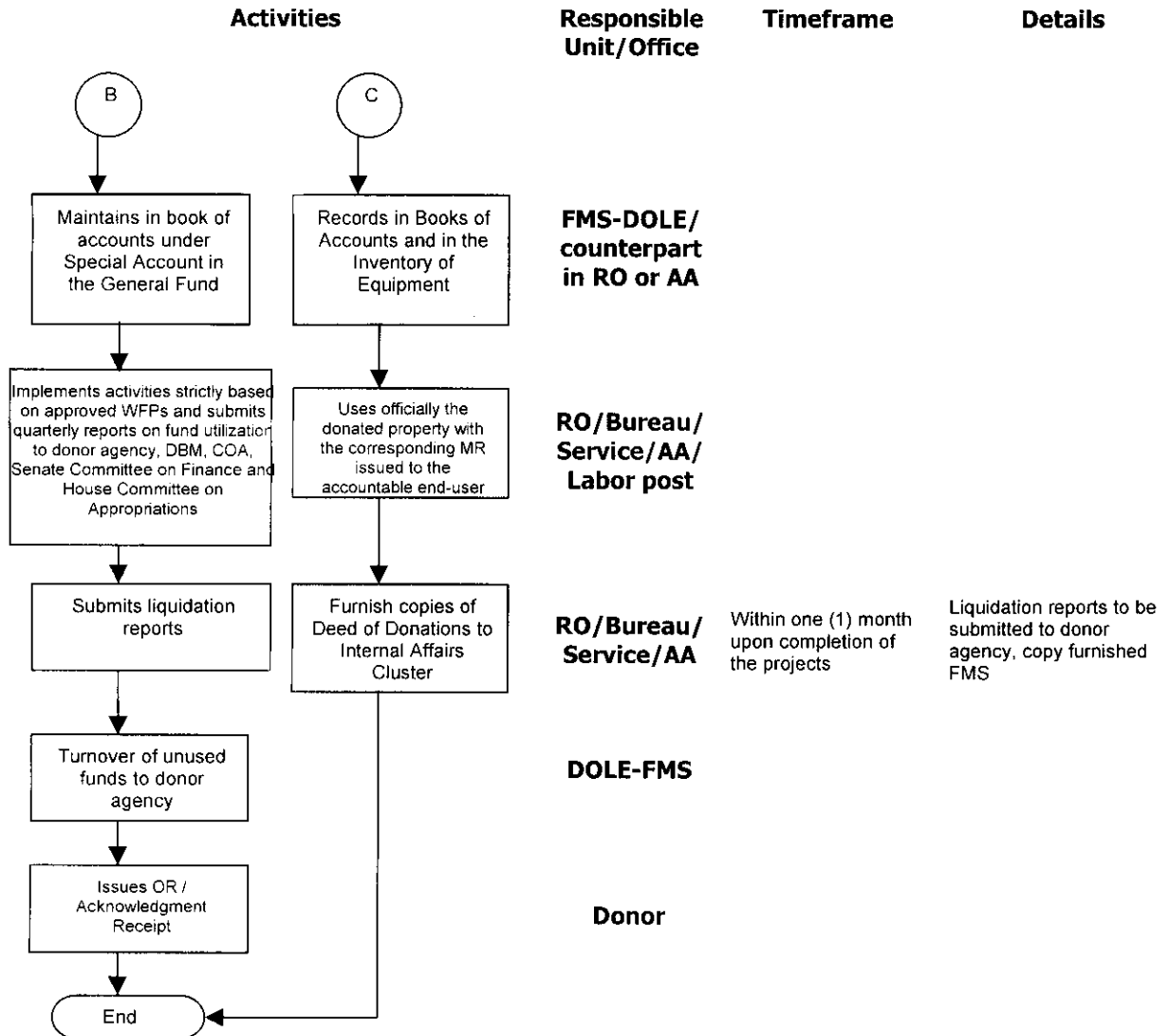
6.0 Procedures:

Activities	Responsible Unit/Office	Timeframe	Details
<p>(A) → Requests release of funds /property from donor</p>	DOLE		
<p>Releases funds to DOLE in the form of cash or check/s</p>	Donor Agency / Entity		
<p>Issues Acknowledgment Receipt to the donor agency and deposits check/s to the Bureau of Treasury (BTr)</p>	DOLE		
<p>Issues OR and certification of the actual receipt of donation/grant</p>	BTr		
<p>Requests DBM for release of Special Budget/SARO/NCA</p>	DOLE & Donor Agency		
<p>Releases SARO and NCA</p>	DOLE (FMS)		
<p>(B)</p>	DOLE Secretary		
<p>Donates property to DOLE</p>	DOLE Secretary		
<p>Execute Deed of Donation</p>	DBM		
<p>Approves Deed of Donation</p>			
<p>(C)</p>			

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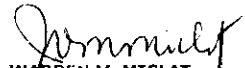


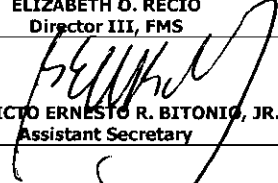
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6.0 Procedures:



7.0 Records

- Official Receipt / Acknowledgment Receipt
- BTr Certification
- Books of Accounts (General Fund)
- Liquidation Report
- Deed of Donation (including pertinent papers about the property)
- Inventory of Equipment
- Memorandum Receipt

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