

MEMORANDUM CIRCULAR**NO. 18**
SERIES OF 2018**ADDENDUM TO MEMORANDUM CIRCULAR NO. 12 SERIES OF 2018
DATED 26 JUNE 2018 RE: IMPLEMENTATION OF THE SUSTAINABLE LIVELIHOOD
PROGRAM**

The enhanced implementation process of the Sustainable Livelihood Program (SLP) has identified the fund transfer to Beneficiary Civil Society Organizations (CSOs) as one of its modes of disbursements to facilitate the funding and implementation of livelihood projects of its program participants.

Beneficiary CSOs is defined as *"a group of individuals directly affected by a calamity, crisis or a particular social condition or problem, who have undergone social preparation to become responsible implementers of a particular government program or project using public funds; provided, that at least 75% of members of the CSO comprise the majority of the beneficiaries of such program or project; provided, further, that the group may or may not have its own distinct legal personality"*, per Joint Resolution (JR) No. 2015-001, *Supplemental Guidelines for Accreditation of Civil Society Organizations*.

It was stated in the same JR, that Section 3.2 of JR 2014-001 was amended to *"These Guidelines cover only the accreditation of CSOs. The selection of CSOs by GAs, the actual transfer of funds from GAs to CSOs, or the liquidation or audit of transferred funds, shall be the subject of separate Guidelines to be issued by COA and GPPB."*

In the absence of the foregoing, the SLP has put in place a selection process as stipulated in the Memorandum Circular (MC) No. 12 s. 2018 (pages 4 – 10), to wit:

Selection Process:

- A. Pre-Implementation Stage
 - 1. Project Area Identification
 - a. Preparation of Data and Information for Targeting
 - b. Provincial and Municipal Targeting
 - c. *Barangay* Targeting
 - d. Coordination with Municipal/City and Barangay Stakeholders
 - 2. Project Participant Identification
 - a. Information Dissemination
 - b. Initial SLP Assembly
 - c. Desk Analysis of Accomplished SLP Participant Qualification Assessment Form (PQAF) and Name-Matching in the *Listahanan* Database

Moreover, this selection process identifies individuals who will undergo social preparation activities to form SLP Associations (SLPAs) who will be capacitated and in turn become accredited Beneficiary CSOs. As Beneficiary CSOs, these SLPAs shall be eligible to receive cash grants. This is in accordance to Sections 67 of the General Appropriations Act (GAA) FY 2018 which state that: *"...A government agency may transfer public funds to Civil Society Organization (CSO)..."* and 67 (c) (vi): *"For Beneficiary CSOs, the CSO must have appropriate social preparation from the government agency providing the grant of financial assistance."* The Social Preparation process in the MC No. 12 s. 2018 (pages 10 – 17) are as follows:

Social Preparation:

For DSWD-Organized SLPAs

- B. Social Preparation Stage
 1. Second SLP Assembly
 - a. Presentation of the result of SLP Participant Qualification Assessment
 - b. Presentation, Vetting and Finalization of the Result of the Sustainable Livelihood Analysis (SLA)
 - i. Market Opportunity Identification through the Livelihood Assets and Market Map
 - ii. Listing of Community Economic Activities
 - iii. Livelihood SWOT Analysis
 2. Basic Livelihood Training
 - a. Micro-enterprise Development Training
 - b. Basic Employment Skills Training
 3. Track Selection
 4. SLPA Formation
 - a. Leadership Training
 - b. Organization Building

For Existing/Organized Groups or Associations Considered as NGOs/POs

1. SLP Orientation
2. Organization Assessment
3. Member Assessment
4. Micro-enterprise Development Training (MEDT)
5. SLPA Formation
6. Issuance of Certificate of Eligibility

For the SLPAs to be accredited as Beneficiary CSOs and in accordance to the requirements stated in the GAA FY 2018 and MC 17 s. 2017, *Amended Guidelines on the Accreditation of Civil Society Organizations as Beneficiaries of DSWD Projects and/or Programs*, the MC No. 12 s. 2018 requires the following documents:

1. SLPA Proof of Existence
 - to be signed by the Implementing Project Development Officer certifying that the SLPA is organized by SLP and is in existence in the provided official address.
 - in compliance to Section 67 (c) (i) of GAA FY 2018: *the presence of the CSO in its stated address and area of operation has been validated*; and Section B.2. of MC 17 s. 2017: *proof of existence or presence of the CSO in its stated address and area of operation or organization*.
2. Constitution and By-Laws
 - to be signed by all members of the SLPA as proof of organization, among others
 - in compliance to Section 67 (c) (ii) of GAA FY 2018: *the CSO has an identified membership and leadership and defined organizational structure*; and Section B.3. of MC 17 s. 2017: *proof of organization*

Lastly, the GAA FY 2018 states that *"To ensure the CSOs comply with all pertinent rules and regulations covering the transfer, use, liquidation and audit of public funds, government agencies shall put into place the needed monitoring, evaluation and reporting mechanisms."*

In compliance to this, MC No. 12 s. 2018 also provides the procedures on the release, utilization, and liquidation of funds for Beneficiary CSOs particularly on the Provision of Modalities phase (pages 27 – 33). Within the prescribed days after the release of funds, the SLPA officers must report and monitor the utilization of the grants by submitting Grant Utilization Reports. Thereafter, a Grant Utilization Monitoring Report shall be submitted by the Monitoring Project Development Officers.

Grant Release, Utilization, and Liquidation Processes:

3. Provision of Modalities

- Procedures for Release of Seed Capital Fund (SCF), *pages 27 - 29*
- Procedures for Release of Cash for Building Livelihood Assets Fund (CBLAF), *pages 29 - 30*
- Procedures for Release of Skills Training Fund (STF), *pages 31 - 32*
- Procedures for Release of Employment Assistance Fund (EAF), *pages 32 - 33*

In line with the implementation of the Sustainable Livelihood Program, this addendum to MC No. 12 s. 2018 shall take effect immediately.

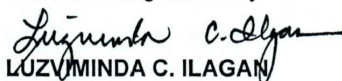
Issued on 7th day of September 2018 in Quezon City, Philippines.

VIRGINIA N. OROGO

Acting Secretary

Department of Social Welfare and Development

For the Acting Secretary



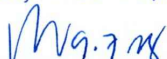
LUZVIMINDA C. ILAGAN

Officer-in-Charge

Per Special Order No. 3053, s. 2018

Date:

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