



**LEGAL SERVICE
GENERAL ADMINISTRATION AND
SUPPORT SERVICES GROUP**

DRN: LS-LMD-MLTPL-MEM-25-03-013416

MEMORANDUM

FOR : ATTY. JUSTIN CAESAR ANTHONY D. BATOCABE
Director IV, DSWD Academy

**FROM : THE ASSISTANT SECRETARY FOR GENERAL
ADMINISTRATION AND SUPPORT SERVICES GROUP
AND CONCURRENT OFFICER-IN-CHARGE (OIC) OF THE
LEGAL SERVICE**

**SUBJECT : CLARIFICATION ON SECTIONS 1.3 AND 7.A OF
MEMORANDUM CIRCULAR NO. 18 SERIES OF 2023 OR
PANATA KO SA BAYAN FOR TAAORSS**

This pertains to your Memorandum¹ requesting for legal opinion on whether the Department of Social Welfare and Development – Field Office XI (FO XI) may broaden the scope of the *PaNata Ko sa Bayan* Awards by conferring monetary incentives to awards which have no express monetary provisions under the Memorandum Circular (MC) No. 18, Series of 2023 entitled "Supplemental Guidelines of Memorandum Circular 1, Series of 2017 – Revised Guidelines on the *Pagkilala sa Natatanging Kontribusyon sa Bayan* Awards.

The following are the proposed monetary incentives:

AWARDS	PROPOSED CASH INCENTIVE	PREVIOUS INCENTIVE PER MC No. 18 S 2023	PROPOSED RECIPIENT
Gawad Serbisyong Mahusay	Php 3,000.00 Php 2,000.00	Plaque/Certificate of Recognition Only	First Finalist Second Finalist
Gawad Serbisyong Masigasig	Php 5,000.00 Php 3,000.00 Php 2,000.00	Plaque/Certificate of Recognition Only	First Award Second Award Third Award
Gawad Serbisyong Matapat	Php 5,000.00	Plaque/Certificate of Recognition Only	3 LGUs

In light of the foregoing proposals, the following Sections under MC No. 18, Series of 2023², have been specifically highlighted by your office for clarification:

E. Assessment and Recognition Process

1. Award Categories

¹ Annex "A" - Memorandum dated 05 February 2025

² Annex "B" – Memorandum Circular No. 18, Series of 2023

- 1.3. *Other Awards may be given to the LGUs as deemed necessary, subject to approval of the Secretary and availability of funds.*

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7. Other Forms of Rewards

- a) *The provision of rewards and incentives to the LGUs is not limited to the specified rewards and incentives. The Central Office and Field Offices may provide additional incentives (monetary and non-monetary) subject to the availability of resources.*

With this, the opinion of the Legal Service (LS) is being sought on whether these above additional rewards need the permission from the Secretary or the FO XI may proceed without prior approval since Section E.7.a already allows the provision.

Opinion of the Legal Service (LS)

First, we need to discuss the two (2) Sections specifically mentioned by the proponent office for clarification.

Section E.1.3 appears to be referring to the possibility of creating additional awards, either at the national or regional level, outside of the existing categories outlined in the MC. These "Other Awards" would be distinct from the awards already listed in the MC and would refer to newly created awards that are not currently listed. Accordingly, it is our view that only the creation of such additional awards—those not currently listed in the MC—would require the prior approval of the Secretary, as required by the provision.

Section E.7.a, on the other hand, pertains to the granting of additional incentives to awards that have already been established. It is important to note that the immediately preceding Section E.6 provides a Table of Awards, each with corresponding designated incentives. In this context, it is our opinion that Section E.7.a refers specifically to providing additional incentives besides those enumerated in Section E.6. Since Section E.7.a does not contain any provision requiring the approval of the Secretary, it is our opinion that, should this section apply, such approval is not necessary for the granting of additional incentives.

Both Sections E.1.3 and E.7.a contain the phrase "*subject to the availability of funds.*" The funds referred to therein pertain to those allocated under the provision of *Technical / Advisory Assistance and Other Related Support Services (TAAORSS)* of the General Appropriations Act (GAA) for the applicable financial year. It is our opinion that the creation of additional awards under Section E.1.3, as well as the grant of additional incentives under Section E.7.a, are both contingent upon the availability of funds under provision of TAAORSS in the GAA.

Now, with regard to the fundamental issue of whether FO XI may provide additional cash incentives, we have carefully reviewed the matter and are of the opinion that such

incentives may be granted pursuant to Section E.7.a, as they pertain to awards already established and existing under the MC, provided that sufficient funds are available. This interpretation reflects the intent of the provision, which permits flexibility in implementation, as long as it remains within the limits of available funds in the GAA. Accordingly, such grants of additional cash incentives under Section E.7.a may proceed without the need for prior approval from the Secretary.

It is important to highlight the legal concept governing government financial transactions provided in Presidential Decree No. 1445 or the "Government Auditing Code of the Philippines" that:

SECTION 4. Fundamental principles. Financial transactions and operations of any government agency shall be governed by the fundamental principles set forth hereunder, to wit:

1. *No money shall be paid out of any public treasury or depository except in pursuance of an appropriation law or other specific statutory authority;*

This underscores the fundamental principle that all public expenditures must be supported by an appropriate legal basis or authority. In respect of this, Section II.B.3. of MC No. 18, Series 2023 provides:

B. Objectives

The provision of rewards and incentives to local government units (LGUs) through local social welfare development offices (LSWDOs) shall recognize the exemplary contribution of LSWDOs as frontline service providers in the implementation of SWD programs and services to improve the wellbeing of its constituents. It shall:

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3. *Allocate funds regularly for the rewards and incentives to LGUs from the Technical Assistance/ Advisory and Other Related Support Services (TAAORSS) funds, and from other sources; and (emphasis supplied)*

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In view of the foregoing principles, we refer to the GAA Financial Year 2025, wherein the *Provision of Technical / Advisory Assistance and Other Related Support Services* on Regional Office XI has specifically allocated funding. In view of this appropriation, and consistent with the fundamental principle that no public funds shall be disbursed without legal authority, it is our opinion that, so long as there remain available funds under the allocation for TAAORSS on Regional Office XI, FO XI — the same office referred to in the GAA of 2025 — may validly provide the proposed additional cash incentives. Considering that Section E.7.a applies, the proposed grant of additional cash incentives may validly proceed without the need for prior approval from the Secretary.

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Conclusion

In conclusion, it is our respectful opinion that the **proposed additional cash incentives may be implemented without prior approval from the Secretary**, provided that sufficient funds exist under the item of TAAORSS on Regional Office XI in the General Appropriations Act of 2025.

As a final note, please be informed that the foregoing legal opinion is based solely on the limited information and documents provided.

Kindly fill out the attached Customer Feedback Form and return the same to the Legal Service.

For your consideration. Thank you.


ATTY. GINA V. WENCESLAO

WEA/10065

Approved by:


ATTY. EDWARD JUSTINE R. ORDEN
Undersecretary for General Administration and Support Services Group
05 JUN 2025

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