

Department of Social Welfare and Development
PANTAWID PAMILYANG PILIPINO PROGRAM

NAC Resolution No. 41

Series of 2017

Policy on the Return of Cash Grants to the Bureau of Treasury

WHEREAS, the National Advisory Committee (NAC) is the highest governing body of the Pantawid Pamilyang Pilipino Program;

WHEREAS, the Pantawid Pamilyang Pilipino Program (Pantawid) is a social protection program implemented by the Department of Social Welfare and Development (DSWD) to provide cash grants to all eligible household beneficiaries subject to program conditions. The program primarily aims to keep children in school and keep them healthy. Necessarily, the eligible Pantawid households are to receive and utilize the funds to effectively attain the objectives of improving health, nutrition and education of children;

WHEREAS, it is likewise the fiscal responsibility of DSWD to ensure that Pantawid funds are effectively utilized and not left idle;

WHEREAS, the Pantawid currently has 4.4 million household beneficiaries nationwide. Out of the said number of households, 2.6 million were opened with cash card accounts at the Landbank of the Philippines (LANDBANK). As of July 2017, however, only 1.8 million households receive their grants via cash card. The remaining 2.6 million households receive their grants via Over-the-Counter (OTC);

WHEREAS, in the Consolidated Audit Annual Report (CAAR) for 2015 and 2016, the Commission on Audit (COA) found that there were unwithdrawn balances in cash card accounts of some households which accumulated to **P1 billion** in 2015 and rose to **P1.2 billion** in 2016. *Aging of the non-moving accounts for more than 30 days with amounts above P 500 in 2016 is attached as Annex A;*

WHEREAS, COA likewise found that there are P3.108 billion representing unclaimed cash grants of Pantawid beneficiaries for OTC mode of payment which were not returned to the Bureau of Treasury (BTr) pursuant to Section 88 General Provisions of the General Appropriations Act. Out of the P3.108 billion unclaimed cash grants, **P 1.05 billion** are attributable to households who fail to claim their grants during payout despite being notified of its schedule;

WHEREAS, in response to the COA recommendations, DSWD committed to set a period for which cash grants are to be claimed and be forfeited in favour of the government to ensure that idle funds are remitted to the BTr for proper disposition;

WHEREAS, there are households who can no longer be located for more than two (2) years with unclaimed cash grants computed for them when they were still active in the program. As of August 31, 2017, these unclaimed cash grants of households paid through OTC totalled around **P2.8 Billion**;

WHEREAS, the primary objective of the program is to provide cash grants to all eligible and compliant household beneficiaries to sustain the educational and health expenses of their children;

WHEREAS, the unwithdrawn and unclaimed cash grants show that the households fail to utilize the amount allocated to them by the Government of the Philippines contrary to its purpose and its

continued dormancy in the LANDBANK invites criticisms from different entities and stakeholders; and

WHEREAS, the Legislators consistently confront DSWD during budget hearings regarding the unutilized and unclaimed cash grants of the beneficiaries; and,

WHEREAS, despite due diligence and earnest efforts done to enable the Pantawid households to fully receive and utilize grants proved to be inadequate due to absence of clear policies and guidelines; and,

WHEREFORE, BE IT RESOLVED as it is hereby **RESOLVED** by the NAC, that a policy providing for the closure of non-moving accounts and return to the BTr of unwithdrawn and unclaimed cash grants for **more than two (2) years** (more than **730** days) be adopted.

RESOLVED further, that cash card accounts of households which are non-moving for **two (2) years and below** but have unwithdrawn balances which are above **P 5,000** shall be validated by the DSWD to determine whether the balances therein are for release to the households or for return to the BTr. However, unwithdrawn grants in these accounts which have remained idle thereat **for at least two (2) years** shall also be remitted to the BTr.

RESOLVED, however, that grants of households validated to have pending requests for cash card replacement and for undistributed grants thru OTC due to unavailability of service provider shall **not** be returned to the BTr, regardless if the period of the dormancy of the account exceeded two (2) years.

RESOLVED further, that unclaimed cash grants of households for two (2) years and below shall be subject for rescheduling, validation and other efforts to ensure its release to them.

RESOLVED finally, that the DSWD shall issue an implementing guideline on how to implement this policy within thirty (30) days from its adoption.

Adopted this 21 day of November, Two Thousand and Seventeen, in Dumaguete City



USEC. EMMANUEL A. LEYCO

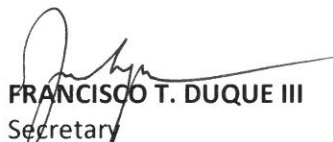
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Department of Education



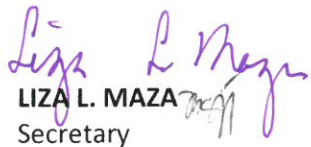

FRANCISCO T. DUQUE III

Secretary

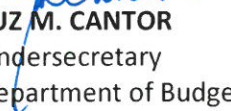
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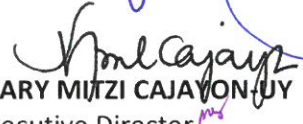
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Aging of the 2016 Non-Moving Accounts per 2016 CAR

Days	Non-Moving Accounts	Account Balances	Average Balance Amount in Php
30-180	84,485	182,149,412.00	2,156.00
181-365	10,584	53,315,477.00	5,037.00
366-730	13,429	99,052,842.00	7,376.00
731-1825	65,744	696,817,047.00	10,599.00
1826-2190 Days	17,925	80,299,639.00	4,480.00
Above 2190 Days	2,031	10,086,787.00	4,966.00
Total	194,198	1,121,721,205.00	

Updates as of August 31, 2017

Below is the summary of the amounts due for remittance to the Treasury upon approval of the Forfeiture Policy net of the corresponding balances from the validation results:

Balance of accounts dormant for less than 731 days	85,700	Php 787,203,473.50
Less: Amount already withdrawn	5,490	5,330,493.07
Amount already remitted to the Treasury	318	579,196.50
Amount attributable to pending card replacement	4,349	65,269,791.02
Net balance due for remittance to the Treasury	75,543	676,023,992.91

As for the balances of the non-moving accounts for less than two (2) years amounting to P334.5M, the Department have intensified its validation and came up with the following validation results.

Balance of accounts dormant for less than 731 days	108,498	Php 334,517,731.00
Less: Amount already withdrawn	75,012	140,080,954.92
Amount already remitted to the Treasury	64	69,767.10
Amount attributable to pending card replacement	2,926	26,714,931.86
Account for closure and remittance to Treasury	1,612	4,019,463.04
Balance still for payment	5,918	44,140,107.58
For validation/revalidation	22,966	119,492,506.50