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**ADMINISTRATIVE ORDER**

No: 11-24

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**SUBJECT: GUIDELINES IN THE REVIEW AND COMPLIANCE PROCEDURES  
IN THE FILING AND SUBMISSION OF STATEMENTS OF ASSETS  
LIABILITIES AND NET WORTH (SALN), AND DISCLOSURE OF  
INTEREST AND FINANCIAL CONNECTIONS**

**I. RATIONALE**

The Statement of Assets, Liabilities, and Net Worth (SALN) is an official declaration of assets (i.e., land, vehicles, etc.) and liabilities (i.e., loans, debts, etc.), including business and financial interests, of an official/employee, of his or her spouse, and of his or her unmarried children under 18 years old still living in their parents' households.

Article XI, Section 17 of the 1987 Constitution, and Section 8 of Republic Act No. 6713 known as the "Code of Conduct and Ethical Standards for Public Officials and Employees" requires all officers and employees in the government to submit their Statement of Assets, Liabilities and Net Worth. It includes a waiver authorizing the Ombudsman or his authorized representatives to attain documents that may show assets, liabilities, net worth, business interests, and financial connections from all appropriate government agencies.

Pursuant to Section 10 of RA 6713 and CSC Resolution Nos. 1300455 & 500088, government agencies shall formulate guidelines particularly the "Establishment and Conduct of Agency Review and Compliance Procedure of SALN" to implement the provisions on reviewing and complying with SALN requirements to determine whether said statements have been submitted on time, are complete, and are in proper form.

**II. LEGAL BASIS**

1. Republic Act No. 6713 – Code of Conduct and Ethical Standards for Public Officials and Employees.

*"It is the policy of the State to promote a high standard of ethics in public service. Public officials and employees shall at all times be accountable to the people and shall discharge their duties with utmost responsibility, integrity, competence and loyalty, act with patriotism and justice, lead modest lives, and uphold public interest."*

2. Republic Act No.6713 Section 8

*"Public officials and employees have an obligation to accomplish and submit declarations under oath of, and the public has the right to know, their assets, liabilities, net worth, and financial and business interests including those of their spouses and of unmarried children under eighteen (18) years of age living in their households."*

3. 1987 Philippine Constitution, Article XI, Section 17

*"Section 17. A public officer or employee shall, upon assumption of office and as often thereafter as may be required by law, submit a declaration under oath of his assets, liabilities, and net worth. xxx"*

### **III. OBJECTIVES**

1. To prescribe the guidelines on ensuring that the Maritime Industry Authority is compliant with the requirement of filing the Statement of Assets, Liabilities and Net Worth (SALN); and,
2. To declare and submit an annual 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 in the government service.

### **IV. DEFINITION OF TERMS**

1. Acquisition Cost - refers to the amount of money paid to acquire or own something. This also refers 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.
2. Affinity - refers to the relationship of a husband to the blood relatives of his wife, or a wife to the blood relatives of her husband.
3. Assessed Value - for purposes of declaration in the SALN, this refers to the amount indicated in the tax declaration of the real properties involved.
4. Assets - refers to a valuable thing or quality property owned by a person.
5. Balae - Refers to the parent of the declarant's son-in-law or daughter-in-law.
6. Bilas - Refers to a declarant's brother-in-law's wife or sister-in-law's husband.



7. Business Interest - Refers to the declarant's existing interest in any business enterprise or entity, aside from his/her income from the government. This also includes those of his/her spouse and unmarried children below eighteen (18) years of age living in his/her household.
8. Capital Property - Refers to the properties exclusively owned by the husband.
9. Consanguinity - Refers to the relationship by blood from the same stock or common ancestor.
10. Contract to Sell - A bilateral contract whereby the prospective seller, while expressly reserving the ownership of the subject property despite delivery thereof to the prospective buyer, binds himself to sell the said property exclusively to the prospective upon fulfillment of the condition agreed upon, that is, full payment of the purchase price.
11. Fair Market Value - For purposes of declaration in the SALN, this refers to the amount indicated as market value in the tax declaration of the real properties concerned.
12. Financial Connections - Refer to the declarant's existing connections with any business enterprise or entity, whether as a consultant, adviser and the like, with an expectation of remuneration for services rendered, including those of his/her spouse and unmarried children below eighteen (18) years of age living in his/her household.
13. 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.
14. Inso - Refers to the appellation for the wife of an elder brother or male cousin.
15. Liability - Refers to financial liability or anything which 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
16. Nature of Liability - Refers to the type of loan obtained from banks, financial institutions, GSIS, PAGIBIG and others, such as personal, Multi-Purpose, salary, calamity loan etc.



- 17. Nature of Business - Refers to existing interest or connection in any business enterprise, whether as proprietor, investor, promoter, partner, shareholder, officer, managing director, executive, creditor, lawyer, legal consultant or adviser, financial or business consultant, and the like.
- 18. Outstanding Balance - Refers to the amount of money which the declarant still owes on his/her loan as of December 31 of the preceding calendar year.
- 19. Paraphernal Property - Refers to the properties exclusively owned by the wife
- 20. Personal Properties - Refer to jewelry, appliances, furniture, motor vehicles, and other tangible/movable properties. Also includes investments or other assets, such as cash in bank, negotiable instruments, securities, stocks and bonds.
- 21. Real Properties - Refer to properties which are immovable by nature. For the purpose of SALN, the kind of real properties are classified according to their use: residential, commercial, agricultural, industrial, or mixed use and the like.
- 22. Relatives in the Government - Refer to the declarant's relatives up to the 4th civil degree of relationship, either by consanguinity or affinity, including bilas, inso, and balae. Includes the declarant's father, mother, son/s and daughter/son/s and daughter/s.

## **V. COVERAGE**

This Administrative Order shall cover all Plantilla-based personnel regardless of employment status.

Those serving in honorary capacity, laborers and casual or temporary workers are exempted from filing the SALN. However, those holding career positions under temporary status are required to file their SALN.

## **VI. GUIDELINES IN THE ACCOMPLISHMENT OF SALN**

### **1. BASIC INFORMATION**

- a. Spouses who are both public officers and employees shall have the option to file their SALN either jointly or separately.
- b. 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."

- c. In case of joint filing, all real and personal properties shall be declared including their respective paraphernal and capital properties.
- d. In case of separate filing, all paraphernal or capital properties shall not be included in the computation of the declarant's net worth.
- e. The change of civil status of the declarant after December 31 of the preceding year shall not affect the nature of the properties declared.
- f. The declarant shall provide information on his/her address. However, whenever a third-party requests a copy of the SALN Form of the declarant, the agency has the option to shade the declarant's address for purposes of security.
- g. The 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.
- h. There should be no unnecessary markings. All applicable information must be properly accomplished. Otherwise, "Not Applicable" or "N/A" must be written.

## **2. ASSETS, LIABILITIES AND NET WORTH**

- a. The SALN shall contain a true and complete declaration of assets, liabilities, and net worth, including 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 whether legitimate or illegitimate. It shall also contain a disclosure of the declarant's relatives within the fourth degree of consanguinity and affinity who are in government service.
- b. Assets include those within or outside the Philippines, whether real or personal, whether used in trade or business.

## **3. REAL PROPERTIES**

- a. Declaration of real properties shall include information on its description, kind, exact location, assessed value, current fair market value, year and mode of acquisition, and acquisition cost.
- b. 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.



- c. The declarant shall indicate those real properties that 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 who are living in the declarant's household.

However, real properties already covered by a deed of sale, inherited, or subject to an extrajudicial settlement of estate but not yet titled under the declarant's name shall also be disclosed. Excluded from the declaration is a real property, which is already been sold, transferred, or conveyed to a third person as of December 31 of the preceding year but the registration is still in the name of the declarant, his or her spouse or unmarried children.

If a real property is co-owned with other individual other than the declarant's spouse, the proportionate amount of the declarant's share shall be declared. The Total Value of Real Properties shall be determined using the acquisition cost of the declarant's real properties, except those declared in the Separate Sheet/s as exclusive properties of the spouse or owned by the defendant's unmarried children. For a real property acquired gratuitously (e.g. donation, succession), however, its declared current fair market value shall be used in the computation.

- d. In 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.
- e. Real properties subject to contract to sell should not be included under such because there is no transfer of ownership yet.
- f. For mortgage property, the amount to be declared is the actual acquisition cost without interest.
- g. Burial lot or columbarium should be declared under real property but without assessed value and market value. Only the purchase price should be written under the acquisition cost column.

#### **4. PERSONAL PROPERTIES**

- a. Declaration of personal properties shall include made, year, and cost of acquisition, or the value or amount of said personal properties.
- b. 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".

- c. In case of properties which are co-owned with the other individuals, the declarant shall disclose the proportionate amount of his share in the property.
- d. With regards to properties which are subject of a contract to sell, the amount already paid by declarant shall be declared as personal property. The amount of money (i.e., cash on hand or in bank) shall be declared based on the balance as of December 31 of the preceding year.
- e. 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 calendar year.
- f. 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. LIABILITIES**

- a. 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.
- b. Total Liabilities shall be the sum of the outstanding balance of all liabilities, except those declared in the Separate Sheet/s as personal liabilities of the spouse.

#### **6. COMPUTATION OF NET WORTH**

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

#### **7. FINANCIAL CONNECTIONS AND BUSINESS INTERESTS**

- a. Declarant, including that of his/her spouse and unmarried children below eighteen (18) years of age living in the declarant's household, shall declare their existing interest or connection in any business enterprise or entity, aside from income from the government.



- b. They shall also indicate the business address, nature of business interests and/or financial connection, and the date of acquisition of interest or connection.
- c. In case there are no existing business interest and financial connections in any business enterprise or entity, the declarant shall tick off the appropriate box in the form and indicate "Not Applicable"

**8. RELATIVES IN THE GOVERNMENT**

- a. The declarant shall disclose his/her relatives in the government within the 4th civil degree of relationship, either by consanguinity or affinity.

	Consanguinity	Affinity
1 <sup>st</sup> Degree	Parents	Parents-in-law
	Children	
2 <sup>nd</sup> Degree	Grandparents	Grandparent-in-law
	Grandchildren	Brother-in-law
	Siblings	Sister-in-Law
3 <sup>rd</sup> Degree	Uncle/Aunt	Uncle-in-law
	Nephews/Niece	
4 <sup>th</sup> Degree	1 <sup>st</sup> Cousing	1 <sup>st</sup> Cousin-in-law

- b. The disclosure shall also state his/her relationship with the relative, the position of the relative as well as the name of office/ agency and address.
- c. In case the declarant and his/her spouse jointly file their SALN, they shall indicate all their relatives within the 4th civil degree, either by consanguinity or affinity, and shall include the above-mentioned information.
- d. In case the declarant has no relatives in the government within the 4th civil degree of relationship, either by consanguinity or affinity, including bilas, inso, and balae, the declarant shall tick off the appropriate box in the form and indicate "Not Applicable".

**9. OTHER MATTERS**

- a. The declarant is strictly required to fill all applicable information in the SALN form. Otherwise, such items should be marked with "N/A" or \*'not applicable". The term "N/A" should be provided in each space. Placing a single term "N/A" in all spaces is not acceptable.



- b. In case of joint filing, the declarant and his/her spouse shall sign in the spaces provided just below the certification.
- c. If the spouse is not a public officer or employee, the declarant shall still cause him/her to sign the SALN.
- d. In case of non-compliance with the signature of the spouse, an explanation should be attached to the SALN form for such non-compliance.
- e. Filling up of the form may be handwritten, computerized, or typewritten provided the signature of the declarant is handwritten and original. The declarant is required to write legibly if he/she chooses to fill out the form by handwriting.
- f. The SALN form shall be submitted in a triplicate original copy and printed on 8.5" x 13" paper. To prevent unauthorized insertions or pull-out of pages, pagination shall read as page 1 of, page 2 of, and so on.
- g. Electronic filing of SALN is allowed in cases where the official or employee is on study leave or on official travel during the period of submission of SALN.

## **VII. SUBMISSION OF THE SALN FORM**

- 1. Employees: On or before 30 April of every year in which the statement must be reckoned as of the end of the preceding year.
- 2. New Employees: Within thirty (30) days after assumption of Office, statements must be reckoned as of his first day of service.
- 3. Separated Employees: Within thirty (30) days after separation from the service, statements must be reckoned as of his last day of Office.

## **VIII. DUTIES AND RESPONSIBILITIES**

### **A. The SALN Review and Compliance Committee**

#### **A.1 Composition**

**Chairperson:** Director, Management Financial and Administrative Service

**Vice-Chairperson:** Director, Legal Service

**Members:**

Chief, Human Resource Management and Development Division  
Representative, Alliance of MARINA Employees



## **A.2 Duties and Responsibilities**

A Review and Compliance Committee (RCC) shall undertake the following duties and responsibilities:

1. Reviews the statements in the SALN to determine whether said statements have been properly accomplished.
2. Determines whether a statement is properly filled using the prescribed form;
3. Inform the reporting individual and direct him/her to take the necessary corrective action through the Human Resource Management Development Division/MFAS, if a statement is not properly filed.

## **B. The Human Resource Management and Development Division, Management, Financial and Administrative Service:**

1. Implements the provisions on reviewing and complying with SALN requirements;
2. Determines whether said statements have been properly accomplished (if all applicable information or details required therein are provided by the filer; Items not applicable to the filer should be marked N/A or not applicable).
3. Make sure the properly accomplished SALN form is submitted on time, and complete, and are in proper form;
4. Notify the reporting individual and direct him/her to take the necessary corrective action if the statement is not properly filled up and or filed;
5. To submit a list of employees in coordination with the Committee, in alphabetical order on or before May 15 of every year, unless the circumstances require otherwise who:
  - Filed their SALN with complete data;
  - Filed their SALN but with incomplete data; and,
  - Did not file their SALN.
6. To ensure that officials and employees submit their SALN to the HRMDD, MFAS on or before April 30 of every year and to transmit all original copies of the SALNs received on or before June 30 of every year to the SALN repository agencies; unless the circumstances require otherwise and
7. To ensure the safekeeping of the SALN of filers.



### **C. The MARINA Regional Offices (MROs)**

To ensure compliance of submission of their respective SALN to concerned repository agency/ies and submit a copy of the Summary List of Filers to the HRMDD, MFAS.

### **D. Ministerial Duty of the RCC Chairperson to issue Compliance Order**

Within five (5) days from receipt of the aforementioned list and recommendation, it shall be the ministerial duty of the Chairperson to issue an order requiring those who have incomplete data in their SALN to correct/supply the desired information and those who did not file/submit their SALNs to comply within a non-extendible period of three (3) days from receipt of said order.

## **IX. SANCTION FOR FAILURE TO COMPLY/ISSUANCE OF A SHOW-CAUSE ORDER**


1. Failure of an official or employee to correct/submit his/her SALN in accordance with the procedure and within the given period pursuant to the directive in Item VIII (C) shall be grounds for disciplinary action.
2. The Chairperson shall issue a show-cause order directing the official or employee concerned to submit his/her comment or counter-affidavit; and if the evidence so warrants, proceed with the conduct of administrative proceedings pursuant to the Revised Rules of Administrative Cases in the Civil Service. The offense of failure to file SALN is punishable with the following penalties:

**First Offense** - Suspension of one (1) month and one (1) day to six (6) months

**Second Offense** - Dismissal from the service

## **X. EFFECTIVITY**

This policy guidelines shall be prospective in application and shall take effect immediately and shall remain in force unless revoked, canceled, or superseded by a subsequent issuance.

  
**SONIA B. MALALUAN**  
Administrator

