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REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS
CENTRAL OFFICE
MANILA

September 22, 2021

DEPARTMENT MEMORANDUM)
)
)
CIRCULAR NO. 56)
Series of 2021 *at 9/22/2021*

FOR / TO : Undersecretaries
Assistant Secretaries
Service Directors
Bureau Directors
Regional Directors
Heads of UPMOs
District Engineers
This Department

For information and guidance, attached is a copy of COA Circular No. 2021-008 dated September 6, 2021 entitled **"Assignment of Responsibility Center for the Gender and Development (GAD) Focal Point System to Account, Monitor and Report GAD Expenses and Other GAD-Related Financial Transactions"**.

A copy of said DBM Circular Letter may also be downloaded from the **DPWH website: <http://dpwhweb>**. If an office cannot access the DPWH website, a hard copy may be obtained from the Records Management Division, HRAS upon request.

For dissemination to all concerned.

MARICHU A. PALAFOX, CESO III
Assistant Secretary for Support Services

Encl: COA Circular No. 2021-008 dated Sept 6, 2021



Republic of the Philippines
COMMISSION ON AUDIT
Commonwealth Avenue, Quezon City

CIRCULAR

No. : 2021-008
Date : SEP 06 2021

- To** : All Heads of National Government Agencies, including State Universities and Colleges, Government Corporations, including Water Districts, and Local Government Units; Heads of Finance/Comptrollership/Financial Management Services; Chief Accountants/Heads of Accounting Units; Budget Officers/Heads of Budget Units; Assistant Commissioners, Directors, and Auditors of Commission on Audit; and All Others Concerned
- Subject** : Assignment of Responsibility Center for the Gender and Development (GAD) Focal Point System to Account, Monitor and Report GAD Expenses and Other GAD-Related Financial Transactions

1.0 Rationale

In line with Republic Act (RA) No. 9710 or The Magna Carta of Women and its Implementing Rules and Regulations (IRR), RA No. 7192 and its IRR, and other rules and regulations on Gender and Development (GAD), the following Joint Circular (JC)/Joint Memorandum Circulars (JMCs) were issued:

- a) Philippine Commission on Women (PCW)-National Economic and Development Authority (NEDA)-Department of Budget and Management (DBM) JC No. 2012-01, prescribing the Guidelines for the Preparation of Annual GAD Plans and Budgets, and Accomplishment Reports to implement The Magna Carta of Women;
- b) PCW-Department of the Interior and Local Government (DILG)-DBM-NEDA JMC No. 2013-01 dated July 18, 2013, prescribing the Guidelines on the Localization of The Magna Carta of Women; and
- c) PCW-DILG-DBM-NEDA JMC No. 2016-01 dated January 12, 2016, amending parts of the PCW-DILG-DBM-NEDA JMC No. 2013-01: Guidelines on the Localization of The Magna Carta of Women.

The General Appropriations Act provides that the GAD Plan shall be integrated in the regular activities of the agencies with an allocation of at least five percent (5%) of the agency's total budget/appropriations. The utilization of the GAD budget shall be evaluated based on the GAD performance indicators identified by the agencies. Hence, agencies are required to prepare and submit their annual GAD Plan and Budget, and the annual GAD Accomplishment Report based on the guidelines issued by the agencies concerned.

The Commission on Audit (COA), which is mandated to promulgate accounting and auditing rules and regulations under Section 2(2), Article IX-D of the 1987 Philippine Constitution and Section 25(4), Chapter 2, Title I of Presidential Decree No. 1445, or the Government Auditing Code of the Philippines, issued COA Memorandum No. 2009-020 dated May 15, 2009 prescribing the guidelines in the conduct of the audit of GAD funds and activities in government agencies. This issuance was amended by COA Circular No. 2014-001 dated March 18, 2014, which prescribes the revised guidelines in the audit of GAD funds and activities in government agencies.

This Circular is issued to require all government agencies to create/assign a Responsibility Center (RC) for their GAD Focal Point System (GFPS) to facilitate generation of all reports pertaining to GAD-related expenses and other GAD-related financial transactions, and to monitor and properly account for the GAD funds.

2.0 Coverage

This Circular covers all national government agencies (NGAs) including state universities and colleges (SUCs), government corporations (GCs) including water districts (WDs), and local government units (LGUs) which are required to allocate at least five percent (5%) of the agency's total budgets/appropriations for GAD activities.

3.0 Definition of Terms

- 3.1 **GAD Focal Point System** – is an interacting and interdependent group of people in all government instrumentalities tasked to catalyze and accelerate gender mainstreaming. It is a mechanism established to ensure and advocate for, guide, coordinate, and monitor the development, implementation, monitoring, review and updating of their GAD Plans and GAD-related programs, activities and projects (Annex D-Definition of Terms, PCW-NEDA-DBM JC No. 2012-01);
- 3.2 **GAD Plan and Budget** – A systematically designed set of programs, projects and activities with corresponding budget carried out by all government agencies departments, including their attached agencies, offices, bureaus, SUCs, GCs, LGUs and other government instrumentalities over a given period of time to address the gender issues and concerns in their respective sectors and constituents. It systematizes an agency's approach to gender mainstreaming, women's empowerment and gender equality. (Annex D-Definition of Terms, PCW-NEDA-DBM JC No. 2012-01);
- 3.3 **Gender and Development** – refers to the development perspective and process that is participatory and empowering, equitable, sustainable, free from violence, respectful of human rights, and supportive of self-determination and actualization of human potentials. It seeks to achieve gender equality as a fundamental value that should be reflected in development choices and contends that women are active agents of development, not just passive recipients of development. (Annex D-Definition of Terms, PCW-NEDA-DBM JC No. 2012-01);

- 3.4 **Government Entities** – refer to all NGAs including SUCs, GCs including WDs, and LGUs;
- 3.5 **Responsibility Accounting** – provides access to cost and revenue information under the supervision of a manager having a direct responsibility for its performance. It is a system that measures the plans (by budgets) and actions (by actual results) of each RC;
- 3.6 **Responsibility Center (RC)** – is a part, segment, unit or function of a government entity, headed by a manager, who is accountable for a specified set of activities. Except for some, which derive most of their income from collection of taxes and fees, government entities are basically cost centers with primary purpose to render service to the public at the lowest possible cost. Cost centers are established to provide each government entity with accessibility to cost information and to facilitate cost monitoring at any given period; and
- 3.7 **RC Code** – the code assigned by the government entity concerned to its individual RCs. The additional three digit codes for the agency's major offices/departments shall be appended to its organization code.

4.0 Guidelines and Procedures

- 4.1 Government entities shall prepare and submit the annual GAD Plan and Budget, and annual GAD Accomplishment Report as prescribed in PCW-NEDA-DBM JC No. 2012-01 for NGAs and GCs, and PCW-DILG-DBM-NEDA JMC Nos. 2013-01 and 2016-01 dated July 18, 2013 and January 12, 2016, respectively, for LGUs.
- 4.2 Government entities shall establish their own responsibility accounting by creating or assigning RCs and RC codes.
- 4.3 Government entities with existing RCs shall reevaluate the existing RCs in their organizational structure, and segregate the identified expenses and other related financial transactions and expenditures for GAD-related activities.
- 4.4 A separate RC and RC code for the GFPS assigned by the entity concerned shall serve as the RC for GAD-related expenses.
- 4.5 The RC for GFPS assigned or created shall be under the office of the agency head for NGAs and GCs, and the office of the local chief executive for LGUs.
- 4.6 The RC code assigned for GFPS shall be reflected in the enhanced electronic National Government Accounting System (eNGAS) and electronic Budget (eBudget) System or in any computerized or manual accounting system implemented by the government entity concerned.
- 4.7 Using the assigned RC and RC code for GFPS, the government entity concerned shall prepare the reports for GAD-related expenses and other GAD-related financial transactions prescribed in Item 10.0 of the PCW-NEDA-DBM JC No. 2012-01 for NGAs and GCs; and Item 4.1.C.8 and Item 7.0 of PCW-DILG-DBM-NEDA JMC Nos. 2013-01 and 2016-01, respectively, for LGUs.

4.8 The GAD-related reports shall be generated from the eNGAS, eBudget System or any computerized or manual accounting system using the RC code assigned for GFPS.

4.9 Government entities using manual accounting system and impractical to establish separate RC for GAD shall maintain a subsidiary ledger (SL) for GAD for each account and may assign SL code for example 01 (i.e., training expenses 5020201002-01, travelling expenses 5020101000-01) to record all GAD-related expenses/programs/activities/projects, in order to facilitate the monitoring, accounting and preparation of the GAD-related reports.

5.0 Sample Coding Structure of RC Code for GAD-related Expenses

The sample coding structure for the assignment of a separate RC code for GFPS is shown in Annex A.

6.0 Saving Clause

Cases not covered in this Circular shall be referred to this Commission, through the Government Accountancy Sector, for resolution.

7.0 Repealing Clause

All issuances inconsistent herewith are hereby amended, modified, or revoked accordingly.

8.0 Effectivity

This Circular shall take effect 15 days after its publication in a newspaper of general circulation.



COMMISSION ON AUDIT
OFFICE OF THE COMMISSION SECRETARIAT



MICHAEL G. AGUINALDO

Chairperson

ROLAND C. PONDOC

Commissioner

**SAMPLE CODING STRUCTURE OF RESPONSIBILITY CENTER (RC) CODE
FOR GAD-RELATED EXPENSES**

RC CODE	DESCRIPTION
01-000-00-00000	Central Office
01-000-00-00000-01	Executive Offices
01-000-00-00000-01-01	Office of the Secretary
01-000-00-00000-01-01-01	Office of the Secretary-Proper
01-000-00-00000-01-01-02	Internal Audit Office
01-000-00-00000-01-01-03	Internal Affairs Office
01-000-00-00000-01-01-99	Gender and Development
01-000-00-00000-01-01-99-01	Gender and Development-Executive Offices-Office of the Secretary-Office of the Secretary-Proper
01-000-00-00000-01-01-99-02	Gender and Development-Executive Offices-Office of the Secretary-Internal Audit Office
01-000-00-00000-01-01-99-03	Gender and Development-Executive Offices-Office of the Secretary-Internal Affairs Office
01-000-00-00000-01-01-99-04	Gender and Development-Executive Offices-Office of the Undersecretary I
01-000-00-00000-01-01-99-05	Gender and Development-Executive Offices-Office of the Undersecretary II
01-000-00-00000-01-01-99-06	Gender and Development-General Administrative Services-Administrative Office
01-000-00-00000-01-01-99-07	Gender and Development-General Administrative Services-Human Resource and Development Office
01-000-00-00000-01-01-99-08	Gender and Development-Financial and Management Services-Accounting Office
01-000-00-00000-01-01-99-09	Gender and Development-Financial and Management Services-Budget Office
01-000-00-00000-01-01-99-10	Gender and Development-Support to Operations Services - Legal and Legislative Liaison Office
01-000-00-00000-01-01-99-11	Gender and Development-Support to Operations Services - Information and System Technology Management Office
01-000-00-00000-01-02	Office of the Undersecretary I
01-000-00-00000-01-03	Office of the Undersecretary II
01-000-00-00000-02	General Administrative Services
01-000-00-00000-02-01	Administrative Office
01-000-00-00000-02-02	Human Resource and Development Office
01-000-00-00000-03	Financial and Management Services
01-000-00-00000-03-01	Accounting Office
01-000-00-00000-03-02	Budget Office
01-000-00-00000-04	Support to Operations Services
01-000-00-00000-04-01	Legal and Legislative Liaison Office
01-000-00-00000-04-02	Information and System Technology Management Office