

STATEMENT OF ASSETS

**GUIDELINES IN ACCOMPLISHING,  
SUBMISSION AND DISPOSITION OF STATEMENT OF ASSETS,  
LIABILITIES AND NET WORTH (SALN)**

OESPA, AFP

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GENERAL HEADQUARTERS  
ARMED FORCES OF THE PHILIPPINES  
Camp General Emilio Aguinaldo, Quezon City

NBC/mzg/6141

OTAG/AFPRD

28 June 2017

STANDARD OPERATING PROCEDURE  
NUMBER 09

**GUIDELINES STATEMENT OF ASSETS, LIABILITIES AND NET WORTH (SALN)**

**1. REFERENCES:**

- a. Republic Act Nr 3019 – Anti-Graft and Corrupt Practices Act dated 17 August 1960;
- b. Republic Act Nr 6713 – Code of Conduct and Ethical Standards for Public Officials and Employees and its Implementing Rules dated 20 February 1989;
- c. Executive Order Nr 02 entitled, "Freedom of Information (FOI)dated 23 July 2016"; and
- d. Memorandum Circular Nr 03, Civil Service Commission (CSC), Subject: Amendment to CSC Memorandum Circular Nr 2 s-2013 (Revised Statement of Assets, Liabilities and Networth [SALN] Form) dated 17 February 2015.

**2. PURPOSE:**

- a. To require all active military personnel and Civilian Employees of the Armed Forces of the Philippines (AFP) to declare and submit detailed statement of Assets and Liabilities, including Disclosure of business interests, financial connection(s) and Relative(s) in the government service, pursuant to CSC Memorandum Circular Nr 03, s-2015 dated 17 February 2015, in conjunction to Republic Act (RA) 6713 (Code of Conduct and Ethical Standards for Public Officials and Employees); and
- b. To provide guidelines and procedures in the proper filling out and disposition of SALN.

**/3. SCOPE . . .**

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**3. SCOPE:**

The filing of SALN shall apply to active military personnel, including cadets, probationary officers and trainees on continuous service for one (1) year, and CE, on regular employment.

**4. GENERAL INFORMATION AND GUIDELINES:**

a. AFP personnel required by law to file SALN shall, within **30 days after assumption** of office, and **on or before 30 April of every year** thereafter, and within **30 days following separation/retirement** from the service, accomplish and declare under oath, his/her Assets, Liabilities, Networth, Financial Connection and Business Interest, including that of the spouse, if married and of unmarried children below 18 years of age, living with the Declarant;

b. Within 30 days from the date of assumption of office, the personnel concerned shall be required to sign/execute document giving authority in favor of the Ombudsman to obtain from all appropriate government agencies, such documents as may show assets, liabilities, and also business interest(s) and financial connection(s) in previous years, including the year they first assumed office in the government;

c. Personnel shall identify and disclose, to the best of his/her knowledge and information, relatives in government, up to the fourth (4<sup>th</sup>) civil degree of relationship, either by consanguinity or affinity, including *Bilas*, *Inso*, and *Balae*.

d. SALN may be available to the public for scrutiny upon showing legitimate purpose thereof. Reasonable charges to cover cost of reproduction, mailing, certification may be assessed. For security reason, the address of the Declarant and that of his/her spouse and children may be shaded.

e. Spouses who are both public officer/employee shall have the option to file either jointly or separately. In case of joint and separate filing, all real and personal properties shall be declared, including their respective capital and paraphernal properties. However, in separate filing, properties shall be declared, but only properties as pertains to the Declarant shall be computed.

f. In case where the Declarant, spouse or children (below 18 years of age, living with the Declarant) has properties to declare that cannot be accommodated in the SALN Form, additional sheet may be used to be attached as an integral part thereof.

/g) Change of . . .

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g. Change of civil status after 31 December of the period covered shall not affect the nature of the properties.

**5. CONTENT OF THE STATEMENTS AND DISCLOSURES:**

a. **ASSET** – include personal and real properties located within or outside the Philippines, whether used in trade or business, owned by the Declarant, including those of spouse and unmarried children below 18 years of age living in his/her household.

1) **Real Property** – refers to property which is immovable by nature. It shall indicate description, such as land, or land with building, a house, a house and lot, condominium unit, or improvement, i.e. extension of the house or garage, and the like. It shall also be classified/described according to use, i.e. residential, commercial, agricultural, industrial, or mixed, etc.

a) Declaration of real property shall indicate its Description, Kind, Exact Location, Year and Mode of Acquisition, Assessed Value, Fair Market Value, Acquisition Cost, including improvements thereon.

b) The Declarant shall indicate whether property is titled, covered by a deed of sale, inherited, donated or subject of an extrajudicial settlement of estate but whose title is not yet transferred.

(c) **Assessed Value** – the amount indicated in the Tax Declaration of the real property issued by the Local Government Unit (LGU) (Assessor Office) where the property is located.

d) **Fair Market Value** – the prevailing rate of the property in an area/community indicated in the Tax Declaration of the real property concerned.

e) **Improvement(s)** – work(s) made and/or introduced that add value to the property, such as development, repair/renovation made on the land or building after acquisition. Improvement to the land or building/structure maybe declared either separately or integrated with the land to which the improvement pertains.

f) **Acquisition Cost** – amount of money paid to acquire the property. It may also mean expenses incurred for the manufacture and construction of property. For property received gratuitously, e.g. donation or inheritance, no acquisition cost shall be declared thereof. However, the fair market value and the assessed value of the said property must be declared.

/2) Personal ...

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2) Personal Property – items that are generally movable/tangible, such as firearm, jewelry, appliance, furniture, motor vehicle, etc. It shall also include investment, Cash on Hand/Bank, negotiable instrument, securities, stock, bond, and the like.

a) Entry shall indicate the date/year, mode and cost of acquisition, or the value of the said property.

b) Personal properties collectively acquired that are considered of minimal value, such as books, clothing, etc., maybe declared collectively, indicating there in the estimated total cost. In which case, the Declarant may indicate "accumulated" under the column for Year Acquired.

c) Personal property, such as Cash on Hand/Bank, as well as stocks and the like, denominated in foreign currency shall be converted in Philippine currency, computed at the prevailing exchange rate as of 31 December of the period covered.

d) Property co-owned with other individuals shall disclose/indicate only the proportionate value/share in the property.

e) Property subject of either a chattel or real estate mortgage shall be declared. The acquisition cost shall carry the actual lease/mortgage price.

f) Property being paid on installment basis shall declare the total contract price with the outstanding balance of the loan as of 31 December of the year covered to be treated as Liability.

b. **LIABILITY** – refers to financial obligation or anything that may result to a transfer or disposal of an asset. It includes not only those incurred by the Declarant but that of his/her spouse and unmarried children below 18 years of age living in his/her household. Liability exclusively incurred by either spouse, without the consent of the other shall be considered as exclusive/separate liability. It shall indicate the nature of liability, name of creditor(s) and the outstanding balance.

1) Outstanding balance – refers to the amount of money that is still due and demandable as of 31 December of the year covered.

2) Nature of Liability – refers to the type of loan obtained, such as Government Service Insurance System (GSIS), Pag-IBIG Fund, PROFUND, Armed Forces and Police Savings & Loan Association, Inc. (AFPSLAI), Philippine Army Finance Center Producers Integrated Corporation (PAFCPIC) and the like.

/c. **NETWORTH . . .**

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c. **NETWORTH** – the amount by which asset exceeds liability. It is the sum total of assets (real and personal) less liabilities. The acquisition cost both in personal and real properties shall be used as baseline in the computation of Networth.

1) In case of separate filing by married individuals, Networth shall be computed from the properties and liabilities pertaining only to the Declarant.

2) For married individuals opting for joint filing, the total assets and liabilities of both the Declarant and the spouse (capital and paraphernal assets and their respective liabilities) shall be the basis in the computation of Networth. Excluded in the computation are real and personal properties of unmarried children below 18 years of age living in the Declarant's household.

3) Capital and Paraphernal properties– refer to both personal and real properties that are exclusively owned by either, the husband or the wife, as provided in the Family Code, as follows:

a) Property acquired during the marriage by gratuitous title, by either spouse, and the fruits as well as the income, if any, unless otherwise expressly provided by the donor, testator or grantor that they form part of the community property;

b) Property for personal and exclusive use of either spouse, such as jewelry, etc; and

c) Property acquired before the marriage by either spouse who has legitimate descendants by a former marriage, and the fruits as well as the income, if any, of such property (Article 92, Family Code).

4) Conjugal or Common property – refers to property acquired during the marriage, whether the acquisition appears to have been made, contracted or registered in the name of one or both spouses, unless proven to be excluded (Article 116, Family Code). The following are conjugal properties:

a) Property(ies) acquired by onerous title during the marriage at the expense of the common fund, whether the acquisition be for the partnership, or for only one of the spouses;

b) Property(ies) obtained from labor, industry, work, occupation or profession of either or both of the spouses, such as fishing or hunting;

/c.) Fruits, natural . . .

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c) Fruits, natural, industrial, or civil, due or received during the marriage from the common property, as well as the net fruits from the exclusive property of either spouse;

d) Share of either spouse in the hidden treasure which the law awards to the finder or owner of the property where the treasure is found; and

e) Property(ies) acquired by chance, such as winnings from gambling or betting.

d. **FINANCIAL CONNECTION AND BUSINESS INTEREST(S)** – refers to other sources of income or existing interests in any business enterprise or entity, aside from salary in the government. It may also mean the Declarant's existing relation with any business enterprise or entity, as owner/proprietor, investor, promoter, partner, shareholder, officer, managing director, executive, creditor, lawyer, legal consultant or adviser, with an expectation of remuneration for the service rendered or investment made.

e. **RELATIVE(S) IN GOVERNMENT** – refers to the Declarant's degree of relationship, either by consanguinity or affinity up to the fourth (4<sup>th</sup>) civil degree of relationship. The Declarant shall indicate his/her relationship, the position as well as the name of office/agency and address of the relative.

1) Relative by Consanguinity – refers to the relationship by bloodline from the same stock or common ancestor.

2) Relative by Affinity – refers to the relationship of one spouse to the relatives by blood of the other spouse, including *Bilas*, *Inso* and *Balae*. *Balae* refers to a parent of the Declarant's son or daughter-in-law. *Bilas* refers to a Declarant's brother/sister-in-law of either spouse. *Inso* refers to the appellation for the wife of an elder brother or male cousin. The following are the guidelines:

a) First (1<sup>st</sup>) Degree

(1) By Consanguinity – father, mother, son and daughter; and

(2) By Affinity – father-in-law and mother-in-law (*Balae*).

b) Second (2<sup>nd</sup>) Degree

(1) By Consanguinity – brother, sister, grandmother, grandfather, grandson and granddaughter; and

(2) By Affinity – brother-in-law, sister-in-law (*Bilas*), grandmother-in-law, grandfather-in-law, granddaughter-in-law and grandson-in-law.

/c) Third (3<sup>rd</sup>) ...

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- c) Third (3<sup>rd</sup>) Degree
- (1) By Consanguinity – nephew, niece, uncle and aunt; and
- (2) By Affinity – nephew-in-law, niece-in-law, uncle-in-law, auntie- in-law.
- d) Fourth (4<sup>th</sup>) Degree
- (1) By Consanguinity– first cousin; and
- (2) By Affinity – first cousin-in-law (*Inso*)

**6. COORDINATING INSTRUCTIONS:**

a. In order to prevent unauthorized insertion or pulling out of pages, pagination shall be numbered consecutively and read as page 1 of the total number of pages (page 1 of 3 pages), and so on.

b. In case of married individuals whose spouse is not employed in government and those both in government opting for separate and joint filing, both spouses shall sign to indicate concurrence. If not available, such as when one is overseas or is physically incapable or actually separated, an explanation shall be provided in a separate sheet, as annex, to be made an integral part of the SALN.

c. Filling up of SALN may be handwritten, computerized or typewritten with original signatures in all the copies. In case of handwritten, the Declarant is required to write legibly. No unnecessary marking shall be made on the form. In case of mistake/erasure, the wrong entry shall be marked with a single horizontal line to be initialled by the Declarant.

d. Additional sheet, as provided for in the CSC Memorandum Circular No 03 dated 17 February 2015, may be used, as necessary.

e. Release of copy of SALN shall be acted only upon request of the person concerned as approved by the person in authority.

f. Copy of SALN shall be retained within ten (10) years. After which, the same may be disposed, unless needed in an ongoing investigation or trial.

g. Accomplishment of SALN and its distribution shall be as follows:

1) COLONEL and UP – Five (5) copies:

One (1) – Personal file;

One (1) – Major Service to which the Declarant belongs and Office of the Ethical Standards and Public Accountability (OESPA), AFP for Technical and Administrative Services (TAS) personnel;

/One (1) . . .

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One (1) – OESPA, AFP  
One (1) – Copy each for the Offices of the President  
and Ombudsman.

2) LIEUTENANT COLONEL and BELOW – Four (4) copies:

One (1) – Personal File  
One (1) – Major Service to which the Declarant  
belongs;

OESPA, AFP for TAS Personnel

One (1) – OESPA, AFP

One (1) – Ombudsman

3) CIVILIAN EMPLOYEE – Three (3) copies:

One (1) – Personal File;

One (1) – Major Service OESPA

OESPA, AFP – for those assigned at the GHQ;

One (1) – CSC

**7. SUBMISSION:**

a. SALN shall be filed with the Major Service, OESPA on or before 30 April of every year. Accomplished SALN Forms for Officers and CE requiring further submission outside the AFP, such as Office of the President, Ombudsman, and Civil Service for CEs, shall be submitted to OESPA, AFP not later than 31 May.

b. To ensure correctness of all entries prior transmittal, unit OESPA shall conduct initial screening/review on the compliance to the SALN Format and shall notify the Declarant of any discrepancy noted, in which case the Declarant shall be allowed to make the necessary correction and/or supply the desired information within a non-extendible period of 30 days from receipt of the Notice/Order. In similar way, those who failed to file SALN shall also be given the same period to comply. To this effect, a Compliance Form shall be accomplished by every office/unit to be submitted to unit OESPA.

c. The OESPA, AFP shall submit a yearly report to the Chief of Staff, AFP (CSAFP) on the status of compliance of AFP personnel together with appropriate recommendations for violations thereof.

d. Major Service OESPA shall receive, keep and maintain SALN files of their personnel (civilian and military). On the other hand, OESPA, AFP shall receive, keep and maintain the SALN of TAS and CEs assigned at the General Headquarters (GHQ).

/e. The OESPA . . .

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e. The OESPA, AFP shall, likewise, be furnished copy of SALN of all AFP Officers. It shall maintain an electronic database and shall be the sole authority to make certifications/authentication for copies from individuals, agencies outside the AFP. For Enlisted Personnel (EP) and CEs, the respective Major Service to which the EP/CE is assigned shall be allowed to process and/or issue certification/authentication thereof.

**8. REVIEW AND COMPLIANCE COMMITTEE:**

a. There shall be a Review and Compliance Committee in the Major Services and OESPA, GHQ created to check the completeness of SALN submitted by personnel and employees within the respective jurisdiction and to issue Compliance Order thereof. It shall also require those with incomplete data to correct/supply the desired information and those who did not file/submit SALNs to comply within a non-extendible period of 30 days from receipt of the said Order.

b. The following personnel shall compose the Review and Compliance Committee in the Major Services and GHQ:

Deputy Chief, OESPA	– Chairman
Chief SALN Division/Branch	– Member/Secretariat
Chief DLO of Major Service Ones	– Member
Deputy Chief, Office of the Adjutant General (OTAG)	– Member

**9. AUTHORITY TO ADMINISTER OATH OF SALN:**

The following personnel are authorized to administer oath of due execution of SALN of personnel assigned in their command or unit/office:

- a. Commander;
- b. Chief and Deputy Chief OESPA or their equivalents in the Major Service;
- c. Executive Officer (Ex-O);
- d. Staff Judge Advocate (SJA); and
- e. Administrative Officer/Adjutant

**10. DISPOSAL OF SALN RECORDS:**

a. OESPA, shall regularly conduct inventory of SALN records and shall be mandated to keep the following data in their respective registry of SALN, with general description, as follows:

/1) SALN records under...

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- 1) SALN records under its custody;
- 2) SALN records disposed;
- 3) SALN issued to the public;
- 4) SALN used in cases and/or pending investigation by government agencies or units/offices;

b. No Officer or CE of the AFP shall dispose/destroy or authorize the disposal/destruction of any SALN record, in its custody, except those ten (10) years and above, and its disposal shall be with prior written authority of the Executive Director of the National Archives of the Philippines (NAP) and notice of disposal made to the Commission on Audit (COA);

c. OESPA, AFP shall prepare and submit a Record Disposition Schedule (RDS) following the prescribed format issued by the Executive Director of NAP.

d. OESPA, AFP shall inform the Executive Director, NAP at least 30 days on the intention to dispose SALN records, containing therein a general list of SALN, the place where the destruction will take place, and the contact person.

**11. STANDARDS, INSPECTION, REPORTING AND AUDIT:**

a. The Chief OESPA, AFP shall ensure the good condition of the SALN records and shall make an annual report to the CSAFP through the Chief OESPA, AFP on the state of recordkeeping within its offices.

b. It shall be the duty of the Chief OESPA, AFP to establish and develop standards, procedures, techniques, and schedules for effective management of SALN records; make continuing surveys of recordkeeping operations, recommend to the CSAFP the improvements in current record management practices, including the use of space, equipment, and supplies in creating, maintaining, and servicing records.

c. Unless otherwise provided by law, rules and regulations, all investigation under these Rules shall be within the jurisdiction of the concerned OESPA, AFP.

**12. SANCTION:**

Any of the following acts shall constitute a violation of Section 8 of RA Nr 6713 or the Code of Conduct and Ethical Standards for Public Officials and Employees, and shall be punishable by:

- /a. Non-Filing:...

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a. Non-Filing:

First Offense – Suspension of one (1) month and one (1) day to six (6) months; and

Second Offense – Dismissal from the service.

b. Unlawfully taking/use of any statement filed for purposes contrary to morals or public policy or any commercial purpose other than by news and communications media for dissemination to the general public (Section 8, RA 6713). Imprisonment not exceeding five (5) years, or a fine not exceeding FIVE THOUSAND PESOS (PhP5,000.00) or both at the discretion of court.

**13. REPEALING CLAUSE:**

All previous issuances pertaining to the SALN Form and its guidelines are hereby repealed.

**BY COMMAND OF GENERAL AÑO:**

  
**MAXIMA O. IGNACIO**  
Colonel PAF (GSC)  
The Adjutant General

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