



Republic of the Philippines
Department of Environment and Natural Resources
Visayas Avenue, Diliman, 1106 Quezon City
☎ (632) 929-6626 to 29; 929-6252; 929-6633 to 35; 929-7041 to 43
E-mail: web@denr.gov.ph; Website: www.denr.gov.ph

MEMORANDUM ORDER

No. 2021- 01

FOR/TO : ALL CONCERNED OFFICIALS AND EMPLOYEES
DENR Central Office

FROM : THE UNDERSECRETARY
Finance, Information Systems and Climate Change

SUBJECT : **GUIDELINES ON THE ADOPTION AND USE OF THE BUDGET
AND TREASURY MANAGEMENT SYTEM (BTMS) IN THE DENR**

DATE : APR 07 2021

I. RATIONALE

In line with the government's initiative to standardize and automate budget utilization of all Agencies of the National Government with budgetary appropriations in the General Appropriations Act (GAA), the BTMS shall be used and adopted as the means for obligating, disbursing and reporting the Department's expenditures.

The BTMS covers the budget execution and the budget utilization phases of the National Budget Cycle. The following are some of the key features of BTMS:

- 1) It is the core and foundation of an integrated and web-based Financial Management Information System (FMIS) built on a centralized database to support the Public Financial Management (PFM) processes of the government.
- 2) The BTMS is secure and compliant with digital documents enforceability as prescribed under Republic Act No. 8792, also known as the Electronic Commerce Act of 2000.

II. GENERAL GUIDELINES

A. Roll-Out/Implementation

- A.1 Initial roll-out shall cover all transactions in the DENR Central Office starting March 16, 2021 amounting to Php 50,000.00 and below. Coverage of transactions shall gradually increase until its full implementation in 2022. Implementation or roll-out across regions and implementing units shall subsequently follow.
- A.2 The Special Order creating the BTMS Project Implementation and Support Teams shall be updated as necessary to accommodate the changes in assignment of personnel, and the duties and responsibilities of each.
- A.3 Advisories shall also be issued as needed, throughout the course of BTMS implementation to bring up to date developments and issuances.
- A.4 The Power Users who were provided computer-based training and eLearning modules by DBM shall replicate the training to all BTMS users and assist in the smooth implementation of BTMS in the Department.

B. Accountability and Responsibility of Every BTMS User

- B.1 The standard workflow function and segregation of duties provided by BTMS is compliant with the Government Accounting Manual (GAM). It should be consistent with the Department's Manual of Authorities and organizational structure as well.
- B.2 Each predefined user role in BTMS, from a Creator or Maker to an Approver, entails accountability, demands responsibility, and builds integrity in every public financial transaction entered into the system.
- B.3 The transaction lifecycle starts with the requesting unit as the creator and follows through with an escalating level of approvals. For example:

CREATOR	1 st LINE APPROVER	2 nd LINE APPROVER	3 rd LINE APPROVER	FINAL APPROVER 1M to 5M	FINAL APPROVER >5M TO 100M	FINAL APPROVER >100M
Requesting Unit Processor	Requesting Unit Head of B/S/O	Accounting Office/Division Processor	Accounting Office/Division Chief Accountant	Finance Service Director or equivalent	Assistant Secretary/ Undersecretary for Finance	Department Secretary or Head of Agency

- B.4 All BTMS Users are enjoined to login to the system every day, first hour in the morning and before end of day to check for pending tasks. Creators need to monitor status of requests by revisiting the prepared form.
- B.5 The system is configured for a 5-minute idle time. Users with no activity within the 5-minute period will automatically be logged out of the system. Creators are therefore advised to save any incomplete forms before leaving the desk.
- B.6 Every authorized approver has the right to reject a transaction by Sending Back the form. Each level of Approver has two options:
1. Approved, if form and substance are correct and good to go; or
 2. Back to Creator for Modification/Cancellation, if form and substance require correction, modification, or order to cancel the transaction.
- B.7 Approvers must take note that a simple click to transition such as the approval of a Purchase Request (PR), Purchase Order (PO), Goods Received/Return Note (GRN), Obligation Request and Status (OBR), Disbursement Voucher (DV), Revenue Voucher (RV), Revenue Receipt Voucher (RRV) and Journal Entry Voucher (JEV) will trigger the system to attach the unique user IDs to the transaction and make their names appear in the digital document. This is equivalent to affixing physical signatures in a manually prepared form.

C. The Standard Workflow Process

- C.1 The system will not allow creation of Purchase Order (PO) until Purchase Request (PR) is fully approved. Goods Received Note (GRN) cannot be created without an approved PO. This is true to the entire Purchase-to-Payment lifecycle.



- C.2 Within the entire Purchase-to-Payment lifecycle, the Maker, Reviewer and Approver play different roles. For each sub-process, a set of user-role based maker/checker functions are provided. e.g. For Purchase Request, Maker is assigned to requesting units, while Checker is assigned to the Property and Supply Management Division (PSMD) who is responsible for managing the Annual Procurement Plan (APP) and Project Procurement Management Plan (PPMP).

TRANSACTION APPROVAL WORKFLOW						
(OBLIGATION→PURCHASE REQUEST→PURCHASE ORDER→GOODS RECEIVED NOTE→DISBURSEMENT)						
	CREATOR	1st LINE APPROVER	2nd LINE APPROVER	FINAL APPROVER 1M to 5M	FINAL APPROVER >5M TO 100M	FINAL APPROVER >100M
Obligation	Requesting Unit Processor	Requesting Unit* Head of B/S/O	Budget Division Processor	Budget Division* Chief	Budget Division* Chief	Budget Division* Chief
Purchase Request	Requesting Unit Processor	Requesting Unit* Head of B/S/O	Procurement/ PSMD Processor	Administrative Service Director	Administrative Service Director	Administrative Service Director
Purchase Order	PSMD Processor	PSMD Head/ Division Chief	Budget Division* Chief	Procurement Service* Head of Procurement	Procurement Service* Head of Procurement	Procurement Service* Head of Procurement
Goods Received/ Return Note	Property Division Processor			PSMD/Property Division Chief	PSMD/Property Division Chief	PSMD/Property Division Chief
Disbursement	Requesting Unit Processor	Requesting Unit* Head of B/S/O	2 nd Line Accounting Office/Division Processor	Finance Service Director or equivalent	Assistant Secretary/ Undersecretary for Finance	Department Secretary or Head of Agency


D. System Security Features

- D.1 The Data Management and Security Team created under Special Order No. 2019-499 dated July 22, 2019 shall manage the data and Security Access Matrix (SAM) within the Department. It shall also be responsible in managing the ring-fencing and integration of BTMS into the DENR IT infrastructure landscape.
- D.2 The predefined user role/s in the system is referred to as user security group because the access is only granted to a specific user. Access right is unique per authorized system user hence login credentials i.e. username and password which use unique user attributes, are private and confidential.
- D.3 All BTMS Users shall coordinate with the Information Systems Division (ISD)-KISS for the activation of the official 'denr.gov.ph' Gmail account. DBM will send the permanent User ID of each user only through the official Gmail account.
- D.4 Each transaction in the BTMS, which eventually gets stored as a digital document, is assigned a unique ID upon creation. These transactions containing the respective IDs of all participating users are permanently created, and follow the workflow that can be audited. Each participant in this workflow therefore creates a document that is permanent, immutable and cannot be repudiated. This is in accordance with the existing E-Commerce Law.
- D.5 Strict observance of security and confidentiality of each user ID is emphasized. There must be no sharing of User IDs and passwords to others, letting somebody else perform one's role and function. Approvers most importantly are prohibited to let their login credentials be used by trusted staff to make the approval in their behalf. The name appearing in the digital document is presumed to be the responsible and accountable person in accordance with E-Commerce Law.
- D.6 As a further security measure, each user should use the officially assigned email address to raise system issues and concerns. Using other email addresses, like that of the supervisor's is absolutely discouraged.
- D.7 All BTMS-related issues and concerns shall be forwarded to Accounting Division's assigned Focal Person who shall in turn coordinate with the DBM's BTMS Helpdesk for the answers and solutions.

III. IMPLEMENTATION OF THIS ORDER

The Assistant Secretary for Finance shall supervise the implementation of this Order.

For information and strict compliance.


ATTY. ANALIZA REBUELTA-TEH, CESO I 