



Republic of the Philippines
DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES
Visayas Avenue, Diliman, Quezon City
Tel. No. 929-66-26

DEC 10 2020

MEMORANDUM CIRCULAR
No. 2020- 12

SUBJECT : **GUIDELINES ON THE PAYMENT OF THE FY 2020 COLLECTIVE NEGOTIATION AGREEMENT (CNA) INCENTIVE TO ALL OFFICIALS AND EMPLOYEES OF THE DENR**

Pursuant to the provisions of the 2019-2022 Collective Negotiation Agreement (CNA) entered between the Department of Environment and Natural Resources (DENR) management and the Kalipunan ng mga Kawani sa Kagawaran ng Kalikasan (K4) on 14 June 2019 and DBM Circular No. 2020-5 dated 04 November 2020, the following guidelines is hereby prescribed on the payment of FY 2020 Collective Negotiation Agreement (CNA) incentive:

I. BASIS FOR PAYMENT OF CNA INCENTIVE

- a. The incentive shall be paid in accordance with the provisions, terms and conditions of the CNA, all applicable laws, rules and regulations;
- b. Personnel not presently assigned in their mother unit shall draw their CNA incentive from their present place of assignment. No double claim of CNA incentive shall be allowed (i.e, from mother unit and from place of assignment of the reassigned/detailed personnel);
- c. In the case of qualified project personnel, the payment of CNA incentive shall be sourced from the project funds where the salaries are being drawn;
- d. The CNA incentive for the year shall be a one-time benefit to be granted not earlier than 15 December 2020, consistent with the DBM policy on the one-year validity of appropriations and allotments provided under Section 71 of the General Provisions of the FY 2020 GAA.
- e. The CNA incentive shall be granted only after the agency has submitted to DBM accountability reports as of 30 September 2020 for the year pursuant to COA-DBM Joint Circular No. 2014-1 dated 02 July 2014, as amended by COA-DBM Joint Circular No. 2019-2 dated 01 January 2019.
- f. The harmonized Results-Based Performance Monitoring System mandated under Section 3 of AO No. 25 dated 21 December 2011 shall be used as basis for determining entitlement to the CNA incentive.

g. Financial Requirements for the payment of CNA Incentive pursuant to section 5.2.3.1 [Modification in the Allotments Issued; Approving Authority; Heads of Agencies – Use of MOOE for the payment of CNA Incentive, during the validity of appropriations (Section 71 (d), GP of the FY 2020 GAA] of DBM national Budget Circular No. 578 (Guidelines on the Release of Funds for FY 2020) dated January 6, 2020

a. The Regional Office and P.E.N.R. Office shall submit the required financial documents to the DENR-Central Office-Financial and Management Service (FMS) – Budget Division for evaluation and processing, on or before December 11, 2020 (Friday), to wit:

- i. Modification Advice Form (MAF)-(Attachment 1);
- ii. Certification of Actual Deficiency and Sources of Funds (Attachment 3);
- iii. Financial Accountability Reports (FAR) No. 1-A – Summary of Appropriations, Allotment, Obligations, Disbursements & Balances By Object of Expenditures (SAAODBOE) – As of October 31, 2020; and
- iv. DENR CNA Incentive Computation Matrix (Schedule 1)

b. The approval for the Modification Advice Form (MAF) covering the payment of CNA Incentive shall be as follows:

APPROVING AUTHORITY	LIMITS OF AUTHORITY
Director, Financial and Management Service (FMS)	Up to Five Million (Php5M)
Assistant Secretary for Finance, Information Systems and Mining Concerns	Above Five Million and up to Ten Million (Php10M)
Undersecretary for Finance, Information Systems and Climate Change	Above Ten Million up to Fifteen Million (Php15M)
Secretary	Above Fifteen Million

II. ENTITLEMENT TO CNA INCENTIVE

The following are entitled to receive the CNA incentive:

a. All employees of the DENR, including third level/key officials, holding permanent, casual and contractual PS personnel with plantilla positions are entitled to receive CNA incentive;

- b. Employees who are on official study leave;
- c. Employees who are on authorized leave; and
- d. Employees who were separated from the service within the year due to retirement or death, subject to Item V.B. hereof.

III. NON-ENTITLEMENT TO CNA INCENTIVE

The following are not entitled to receive the CNA incentive:

- a. Personnel who are on absence without official leave (AWOL);
- b. Persons hired under Contract of Service (charged against MOOE) or laborers hired through Job Order (*pakyaw*) and those paid on piece-work basis;
- c. Employees who have been dismissed from the service during the year.

IV. FUND SOURCES OF THE CNA INCENTIVE

- a. Payment of the CNA incentive shall be sourced solely from the available balances of allowable Maintenance and Other Operating Expenses (MOOE) allotments, after considering the FY 2020 requirements and compliance with the COVID-19 measures prescribed under Republic Acts No. 11469 and No. 11494, provided further that the same have become available as a result of cost-cutting and systems improvement measures undertaken collectively by the DENR and its personnel, as identified in their respective CNA and supplements thereof. Such fund sources shall be limited to the following MOOE items defined under the Government Accounting and Auditing Manual:
 - 1. Advertising Expenses;
 - 2. Communication Expenses;
 - 3. Printing and Publication Expenses;
 - 4. Repair and Maintenance Expenses;
 - 5. Subscription Expenses;
 - 6. Supplies and Materials Expenses;
 - 7. Transportation and Delivery Expenses;
 - 8. Traveling Expenses; and
 - 9. Utility Expenses.
- b. Savings generated from the following circumstances are not allowed to be used as fund source for the payment of the CNA incentive:
 - 1. Balances of allotments for programs/activities/projects which were later discontinued or deferred; and

2. Released allotments intended for the acquisition of goods and services that will be distributed/delivered to, or to be used by the agency clients.
3. Items under Personnel Services, other MOOE, and/or Capital Outlay shall not be used to increase the allowable MOOE items as fund source for the FY 2020 CNA incentive.

V. COMPUTATION OF CNA INCENTIVE

- a. Payment of the CNA incentive for FY 2020 shall be determined based on the amount of savings generated by the agency from the abovementioned MOOE items, but not to exceed **Twenty-Five Thousand Pesos (Php25,000.00)** per qualified employee;
- b. The CNA incentive shall be proportionate to the length of service rendered for the current year (CNA incentive = number of months rendered divided by 12 months, multiplied by the amount of the CNA incentive). This computation shall cover all employees who have been separated from the service within the current year and those who have incurred leave of absence without pay;
- c. Pursuant to Section 3 under Article VIII of the Collective Negotiation Agreement, the K4 shall determine the amount to be deducted from the CNA incentive for procurement of a Comprehensive Medical Health Card, subject to written authority from individual employees.

VI. REPORTORIAL REQUIREMENTS

All DENR regional offices, bureaus and attached agencies shall submit to the Undersecretary for Finance, Information Systems and Climate Change a report on the CNA incentive paid to employee on or before 31 January 2021 using the attached form (Annex A).

VII. EFFECTIVITY

This Circular shall take effect immediately.


ROY AL CIMATU
Secretary



Report on the Payment
of Collective Negotiation Agreement (CNA) Incentive For
FY _____

Department/Agency: _____

I. If CNA Incentive Was Granted

Total Amount Paid for the CNA Incentive:

Number of Qualified Personnel	
Regular	xxx
Contractual	xxx
Casual	xxx
Total	xxxx

Rate of CNA Incentive _____

Total Amount Paid _____

Fund Sources:

Object of Expenditures	
_____	xxx
_____	xxx
_____	xxx
_____	xxx
_____	xxx
Total	xxxx

II. If the CNA Incentive Was Not Granted

Please state reason/s for non-grant

Submitted by:

Certified Correct:

Head, Finance/Administrative Unit

Agency Head