



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

DEC 02 2021

MEMORANDUM CIRCULAR

No. 2021- 12

SUBJECT : GUIDELINES ON THE PAYMENT OF THE FY 2021 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 into 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. 2021-3 dated 17 November 2021, the following guidelines is hereby prescribed on the payment of FY 2021 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 and 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) and for such purpose, reassigned officials/ employees shall submit a Certification from their mother unit that they will not receive the CNA incentive therefrom;
- 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 2021, consistent with the DBM policy on the one-year validity of appropriations and allotments provided under Section 73 of the General Provisions of the FY 2021 GAA;
- e. The CNA incentive shall be granted only after the agency has accomplished by 30 September 2021, at least an average of 70% of all the targets for all the organizational outcomes/performance indicators under their respective FY 2021 budget approved by Congress, or the approved FY 2021 Corporate Operating Budget (COB), whichever is applicable;
- 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 5.1.3 (Section 73 (d) of the FY 2021 GAA] of DBM Budget Circular No. 583 dated 04 January 2021 (Guidelines on the Release of Funds for FY 2021):
- a. The Regional Offices and Bureaus must 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 06, 2021 (Monday)** through email budget@denr.gov.ph and one (1) hard copy, to wit:
 - i. Modification Advice Forms (MAFs);
 - ii. Matrix prescribed by the Budget Division from prior submission;
 - iii. Certificate of Availability of Funds (CAF);
 - iv. Signed Financial Accountability Reports (FAR) No. 1-A - Summary of Appropriations, Allotment, Obligations, Disbursements & Balances by Object of Expenditures (SAAODBOE) as of September 30, 2021.
 - 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 (Php 10M)
Undersecretary for Finance, Information Systems and Climate Change	Above Ten Million up to Fifteen Million (Php 15M)
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. The CNA Incentive shall be sourced solely from the available balances of allowable Maintenance and Other Operating Expenses (MOOE) allotments after considering the FY 2021 requirements, provided further that the same have become available as a result of cost-cutting and systems improvement measures undertaken collectively by the agency and its personnel, as identified in their respective CNA and supplement thereof. Such fund sources shall be limited to the following MOOE items defined under the Government Accounting and Auditing Manual:

- (a) Communication Expenses;
- (b) Repairs and Maintenance Expenses;
- (c) Supplies and Materials Expenses;
- (d) Transportation and Delivery Expenses;
- (e) Travelling Expenses; and
- (f) 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 2021 CNA incentive.

V. COMPUTATION OF CNA INCENTIVE

- a. Payment of the CNA incentive for FY 2021 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 2022 using the attached form (Annex A).

VII. EFFECTIVITY

This Circular shall take effect immediately.

ROY A. CIMATU
Secretary

