



DEC 12 2022

MEMORANDUM CIRCULAR

No. 2022- 13

SUBJECT : GUIDELINES ON THE PAYMENT OF THE FY 2022 COLLECTIVE NEGOTIATION AGREEMENT (CNA) INCENTIVE TO OFFICIALS AND EMPLOYEES OF THE DENR

Pursuant to the provisions of the 2022-2025 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 07 June 2022 and DBM Circular No. 2022-3 dated 19 October 2022, the following guidelines is hereby issued on the payment of FY 2022 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 2022, consistent with the DBM policy on the one-year validity of appropriations and allotments provided under Section 79 of the General Provisions of the FY 2022 GAA;
- e. The CNA incentive shall be granted only after the agency has accomplished by 30 September 2022, at least an average of 70% of all the targets for all the organizational outcomes/performance indicators under their respective FY 2022 budget approved by Congress based on the Accomplishment Report of the Policy and Planning Service. The Director for Policy and Planning Service shall issue a Certification to this end;
- f. Financial Requirements for the payment of CNA Incentive pursuant to Section 79 (d), GPs of the FY 2022 GAA:
 - a. The Regional Offices and Bureaus shall submit not later than 30 November 2022, the following approved financial documents to the Budget Division, FMS, for record purposes:
 - i. Modification Advice Forms (MAFs);
 - ii. Matrix prescribed by the Budget Division from prior submission;

- iii. Certificate of Availability of Funds (CAF); and
 - 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, 2022.
- b. The approval for the Modification Advice Form (MAF) from MOOE to PS covering the payment of CNA Incentive supported by the Certificate of Availability of Funds (CAF) shall be approved by the Director, Financial and Management Service in DENR Central Office and the Regional Executive Director/Bureau Director for the regional offices/staff bureaus.

II. ENTITLEMENT TO CNA INCENTIVE

The following shall be 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;
- 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 shall not be 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; and
- 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 2022 requirements, to be certified by the respective Chief, Budget Division/Sections/Units, 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 shall not be allowed 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.
- c. Contingency fund may be utilized to pay the CNA Incentive.

V. COMPUTATION OF CNA INCENTIVE

- a. Payment of the CNA incentive for FY 2022 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;

VI. REPORTORIAL REQUIREMENTS

All DENR regional offices and bureaus shall submit to the Budget Division, FMS a report on the CNA incentive paid to employees on or before 16 January 2023 using the attached form (Annex A). Thereafter, the Consolidated Report on the payment of CNA incentive shall be submitted to DBM not later than 31 January 2023.

VII. EFFECTIVITY

This Circular shall take effect immediately.


MARIA ANTONIA YULO LOYZAGA
Secretary ant

