



Republic of the Philippines
Department of Environment and Natural Resources
Visayas Avenue, Diliman, Quezon City
Tel Nos. 929-6626 to 29; 929-6633 to 35
929-7041 to 43 ; 929-6252; 929-1669
Website: <http://www.denr.gov.ph> / Email: web@denr.gov.ph

MEMORANDUM

TO : The Regional Executive Directors
DENR Regions 1, 2, 4B, 5, 8, 9, 11, 12, 13 and CAR

FROM : The Undersecretary
Finance, Information Systems and Climate Change

SUBJECT : SUBMISSION OF DOCUMENTARY REQUIREMENTS FOR
THE 40% SHARE OF LOCAL GOVERNMENT UNITS ON THE
PROCEEDS FROM THE DEVELOPMENT AND UTILIZATION
OF NATIONAL WEALTH FOR FY 2018 TO 2020

DATE : DEC 23 2021

This refers to the letter dated 20 October 2021 of Mr. John Aries S. Macaspac, OIC-Director IV of the Local Government and Regional Coordination Bureau (LGRCB), Department of Budget and Management (DBM).

The LGRCB is reminding us of the provision of National Budget Circular No. 583^{1/} dated January 4, 2021 Item 3.15.1 and Circular Letter No. 2021-10^{2/} dated October 15, 2021 that reads as follows: "Any request for the release of funds requiring the issuance of Special Allotment Release Order and Notice of Cash Allocation received by DBM after November 15, 2021 will no longer be acted upon within FY 2021 GAA but will be withheld and process for the following year".

The LGRCB also informed us the following balances of the shares of local government units (LGUs) under the Allocations to LGU-Special Shares of LGUs in the Proceeds of National Taxes:

Balance-to-date	Amount (in Php)
FY 2020 General Appropriations Act (GAA), Republic Act (RA) No. 11465	3,058,677
FY 2021 GAA, RA No. 11518	4,470,136

^{1/} National Budget Circular No. 583 dated January 4, 2021, "Guidelines on the Release of Funds for FY 2021"

^{2/} Circular Letter No. 2021-10 dated October 15, 2021, "Reiteration of The Deadline for Submission of Agency Request for The Release of Additional Funds Requiring the Issuance of SARO/NCA"

Relative to our Memorandum^{3/} dated 06 October 2021, you are also required to submit the necessary documentary requirements of the 40% LGU Shares based on the collected forest charges as per attached table marked as “Annex A”, as follows:

- a. Certification from the Bureau of Treasury;
- b. Form A –CENRO Report;
- c. Form B – Certification of Corresponding Share of Local Government Unit on the Proceeds from the Development and Utilization and National Wealth;
- d. Form C - PENRO Consolidated Report;
- e. Form D - Regional Consolidate Report.

You may send the scanned copy of documents through email at denrco.conso@gmail.com as an advance copy for verification. All documents received by the DENR Central Office on or before December 31, 2021 will be submitted to DBM after the FY 2022 GAA has been enacted by Congress and approved by the President.

For information and compliance.


ATTY. ANALIZA REBUELTA-TEH

Cc: Asst. Secretary MARCIAL C. AMARO, JR., CESO III
Director, in concurrent capacity
Forest Management Bureau

^{3/} Memorandum dated 06 October 2021, “Submission of Documentary Requirements for the 40% Share of Local Government Units on the Proceeds from the Development and Utilization of National Wealth”*

Tax on Forest Products
 CY 2018 to CY 2020

CY 2018

Office	Total Collection	40% LGU Shares
CAR	423,237.89	169,295.16
Region I	63,773.77	25,509.51
Region II	522,887.92	209,155.17
Region IV-B	4,697,059.34	1,878,823.74
Region V	626,228.90	250,491.56
Region VIII	756,990.51	302,796.20
Region XI	382,823.27	153,129.31
Region XII	106,513.48	42,605.39
Region XIII (CARAGA)	3,792,799.18	1,517,119.67
	11,372,314.26	4,548,925.70

CY 2019

Office	Total Collection	40% LGU Shares
CAR	69,948.83	27,979.53
Region II	1,640,776.66	656,310.66
Region IV-B	2,323,511.41	929,404.56
Region V	971,266.88	388,506.75
Region VIII	280,918.30	112,367.32
Region IX	2,230,586.74	892,234.70
Region XI	408,637.04	163,454.82
Region XIII (CARAGA)	8,231,777.64	3,292,711.06
	16,157,423.50	6,462,969.40

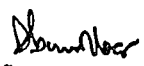
CY 2020

Office	Total Collection	40% LGU Shares
CAR	2,356.00	942.40
Region II	1,477,300.81	590,920.32
Region IV-B	3,193,217.57	1,277,287.03
Region V	1,149,007.52	459,603.01
Region VIII	1,010,432.25	404,172.90
Region IX	42,841.97	17,136.79
Region XI	286,810.21	114,724.08
Region XII	19,901.89	7,960.76
Region XIII (CARAGA)	12,947,988.23	5,179,195.29
	20,129,856.45	8,051,942.58

Prepared by:


 MA. RHENNALOU C. SALAZAR
 Accountant II

Noted by:


 DIÑA M. NILLOSAN
 Department Chief Accountant

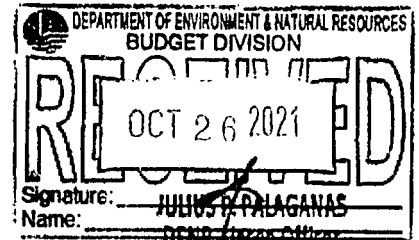


REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
GENERAL SOLANO STREET, SAN MIGUEL, MANILA

October 20, 2021

SECRETARY ROY A. CIMATU

Department of Environment and Natural Resources (DENR)
Visayas Avenue, Diliman
Quezon City 1100



Attention: **Director Wilfredo J. Obien**
Financial and Management Service (FMS), DENR

Dear **Secretary Cimat**:

Pursuant to Item 3.15.1 of National Budget Circular No. 583 dated January 4, 2021¹ and as reiterated in Circular Letter No. 2021-10 dated October 15, 2021,² may we respectfully remind that all requests for the release of funds requiring the issuance of Special Allotment Release Order and Notice of Cash Allocation received by the Department of Budget and Management (DBM) **after November 15, 2021** shall no longer be acted upon within FY 2021 but processing thereof shall be deferred to FY 2022.

To date, the balances of the shares of local government units (LGUs) shares under the Allocations to LGUs-Special Shares of LGUs in the Proceeds of National Taxes are as follows:

FY 2020 General Appropriations Act (GAA), Republic Act (RA) No. 11465	
Particulars	Amount (in Php)
Appropriation	3,364,000
Less: Released as of December 31, 2020 ³	125,171
January 2021-present ⁴	180,152
Balance-to-date	3,058,677

FY 2021 GAA, RA No. 11518	
Particulars	Amount (in Php)
Appropriation	6,463,000
Less: January 2021-present ⁵	1,992,864
Balance-to-date	4,470,136

¹ Guidelines on the Release of Funds for FY 2021

² Reiteration of the Deadline for Submission of Agency Request/s for the Release of Additional Funds Requiring the Issuance of SARO/NCA

³ Amount may not equal to Agency request due to rounding difference

⁴ Amount may not equal to Agency request due to rounding difference

⁵ Amount may not equal to Agency request due to rounding difference

In order to facilitate the release of subject funds, consistent with Items 3.0 and 4.0 of the DBM-Department of Finance-DENR-Department of Energy Joint Circular No. 2006-1,⁶ may we gently remind the DENR to submit the (i) certifications issued by the DENR and Bureau of the Treasury providing for the actual collections and remittances for FYs 2016 to 2018 to be charged against FY 2020 GAA, Continuing Appropriations, and FYs 2018 to 2020 to be charged against FY 2021 GAA, and (ii) schedule of the corresponding shares of the beneficiary LGUs covering the release of shares of the same.

Further, as previously communicated, we would greatly appreciate receiving the soft copies in Microsoft Excel for worksheets, ledgers and documents with tabular data providing the shares of the beneficiary LGUs, and Portable Document Format (PDF) will suffice for letters, memoranda, and similar documents of a narrative form.

Thank you and God bless.

Very truly yours,



Digitally signed by
John Aries S. Macaspac
Date: 2021.10.20
15:34:54 +08'00'

JOHN ARIES S. MACASPAC
OIC-Director IV

cc: Assistant Secretary Achilles Gerard C. Bravo, DBM
Assistant Secretary Cristina B. Clasara, DBM

⁶ Revised Guidelines and Procedures on the Release of the Share of Local Government Units in the Proceeds from the Development and Utilization of National Wealth



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MEMORANDUM

TO : The Regional Executive Directors
DENR Regions 1-13, CAR and NCR

FROM : The Undersecretary
Finance, Information Systems and Climate Change

SUBJECT : SUBMISSION OF DOCUMENTARY REQUIREMENTS FOR
THE 40% SHARE OF LOCAL GOVERNMENT UNITS ON
THE PROCEEDS FROM THE DEVELOPMENT AND
UTILIZATION OF NATIONAL WEALTH

DATE : OCT 06 2021

This has reference to the DBM-DOF-DENR-DOE Joint Circular No. 2006-1 dated 13 February 2006 on the revised guidelines and procedures on the release of the share of local government units (LGUs) in the proceeds from the development and utilization of national wealth.

Based on the Quarterly Report of Revenue and Other Receipts (FAR No. 5), an amount of P 4,082,933.71 pertains to the collection on the Tax on Forest Products as of June 30, 2021. To facilitate the submission of LGU share to the Department of Budget and Management, you are advised to submit the necessary documentary requirements to support the release of the 40% shares of LGUs on the proceeds from the development and utilization of national wealth as follows:

- a. Certification from the Bureau of Treasury;
- b. Form A –CENRO Report;
- c. Form B – Certification of Corresponding Share of Local Government Unit on the Proceeds from the Development and Utilization and National Wealth;
- d. Form C - PENRO Consolidated Report;
- e. Form D - Regional Consolidate Report.

You may submit the scanned copy of documents through email at denrco.conso@gmail.com as an advance copy for verification/validation on or before October 15, 2021.

For compliance.


ATTY. ANALIZA REBUELTA-TEH

Cc: Asst. Secretary MARCIAL C. AMARO, JR., CESO III
Director, in concurrent capacity
Forest Management Bureau

Republic of the Philippines
DEPARTMENT OF BUDGET AND MANAGEMENT
DEPARTMENT OF FINANCE
DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES
DEPARTMENT OF ENERGY
Manila

DBM-DOF-DENR-DOE JOINT CIRCULAR NO. 2006-1
February 13, 2006

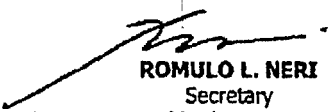
FOR : THE GOVERNORS, MUNICIPAL AND CITY MAYORS, BARANGAY
CHAIRMEN, SANGGUNIANG MEMBERS AND OTHER LOCAL
GOVERNMENT OFFICIALS; ALL OTHERS CONCERNED


SUBJECT : REVISED GUIDELINES AND PROCEDURES ON THE RELEASE
OF THE SHARE OF LOCAL GOVERNMENT UNITS IN
THE PROCEEDS FROM THE DEVELOPMENT AND UTILIZATION OF
NATIONAL WEALTH


- 1.0 This circular is issued to implement the provision of Article 390(a) of the Rules and Regulations Implementing the Local Government Code of 1991, covering the claims of local government units (LGUs) arising from the proceeds in the utilization and development of national wealth.
- 2.0 For budget preparation purposes, the projected shares of the LGUs out of the 40% of the proceeds of the national wealth from the preceding year shall be submitted to the Department of Budget and Management (DBM) by the concerned revenue collecting agencies of the national government not later than the fifteenth (15th) of March of the ensuing year. While the first quarter will be based on actual collections, the remaining three quarters shall be based on projected historical collection. This shall serve as basis for appropriation in the national budget.
- 3.0 During budget execution, DBM shall release the allotment upon submission by the collecting agency to DBM of the following:
 - 3.1 Certification showing the corresponding share of each province, city, municipality and barangay where the national wealth is being developed and/or utilized, and
 - 3.2 Certificate of Actual Remittance for the preceding year from the Bureau of the Treasury (BTr).
- 4.0 Requests for the release of the shares of LGUs as certified by the collecting agencies, namely, the Bureau of Internal Revenue (BIR), the Department of Environment and Natural Resources (DENR) and the Mines and Geosciences Bureau (MGB) shall be forwarded to the DBM Central Office which in turn shall refer same to its Regional Offices together with the supporting documents for authentication and verification. ~~Published in the Official Gazette to wit:~~

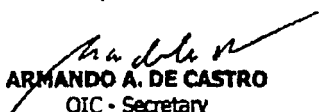
VOLUME	NUMBER	PAGE	DATE OF ISSUE
<u>102</u>	<u>16</u>	<u>2506</u>	<u>4/17/06</u>

- 5.0 The requests pertaining to release of shares of LGUs in the proceeds of collection from energy resources production submitted by the Department of Energy (DOE) shall be submitted directly to the DBM Central Office for evaluation.
- 6.0 This Circular does not cover shares of LGUs from the proceeds derived by national government agencies or government owned and controlled corporations engaged in the utilization and development of national wealth. Pursuant to Article 390(c) of the IRR, the same are directly remitted by such agency or corporation direct to the provincial, city, municipal or barangay treasurer concerned within five (5) days after the end of each quarter.
- 7.0 Local government units which are entitled to receive their shares from the proceeds in the utilization and development of national wealth are enjoined to assist the collecting agencies to ensure that the March 15, deadline set forth under the law is met.
- 8.0 In accordance with existing laws, all collecting agencies shall deposit collections to the account of the BTR maintained with their depository banks on the same day or the next banking day as the case maybe.
- 9.0 This supersedes/repeals DBM Circular Letter No. 7-97 dated March 1, 1997.
- 10.0 This Circular shall take effect immediately.


ROMULO L. NERI
Secretary
Department of Budget and Management


MARGARITO B. TEVES
Secretary
Department of Finance
001396


RAPHAEL P. M. LOTILLA
Secretary
Department of Energy


ARMANDO A. DE CASTRO
OIC - Secretary
Department of Environment and Natural Resources



DEPARTMENT OF FINANCE
DEPARTMENT OF BUDGET AND MANAGEMENT
Joint Circular No. 2016- 1
January 4, 2016

- TO** : The Provincial Governors, City and Municipal Mayors, Members of the Sanggunian, Provincial, City and Municipal Treasurers, Accountants and Budget Officers, Directors of Regional Offices (ROs) and Central Office (CO) of the Department of Budget and Management (DBM), Regional Directors/Heads of DBM Accounting Units, Bureau of the Treasury CO, Regional Directors/Districts/Provincial Heads, Heads of the Modified Disbursement System-Authorized Government Servicing Banks (MDS-AGSBs), COA State Auditors and All Others Concerned
- SUBJECT** : **Guidelines for the Direct Release of Funds by the Bureau of the Treasury (BTr) to Local Government Units (LGUs) in FY 2016 and Thereafter**
-

1.0 Rationale

- 1.1 The release of budgetary funds for LGUs has been modified over the years in terms of fund administration, with recent developments calling for clarification/updating of previous pertinent issuances.
- 1.2 Initially, Section 3 of Presidential Decree (PD) No. 477 dated June 3, 1974 (Decree on Local Fiscal Administration), provided that the Department of Finance shall exercise general supervision over the financial affairs of the local governments, with the Secretary of Finance exercising direct executive supervision over all treasury officials and personnel in the local governments.
- 1.3 Section 1 of PD No. 1375 dated May 16, 1978 transferred to the Budget Commission the functions of local government budget administration, while Section 2 of the same Decree states that the Secretary of Finance shall continue to exercise the functions pertaining to local government income, borrowings, other receipts, and local treasury operations. For this purpose, the Budget Commission was authorized to establish regional offices, as necessary, to properly discharge local government functions.

- 1.4 Executive Order (EO) No. 112 dated December 24, 1986 directed that all Budget Officers of Provinces, Cities and Municipalities shall be under the Administrative Control and Technical Supervision of the Ministry of Budget and Management.
- 1.5 Section 288 of Republic Act (RA) No.7160 (The Local Government Code of 1991) provides that the Secretary of Finance, in consultation with the Secretary of Budget and Management, shall promulgate the necessary rules and regulations for a simplified disbursement scheme.
- 1.6 Section 93 of the FY 2016 General Appropriations Act (GAA) provides that the Internal Revenue Allotment (IRA) and all LGU shares appropriated therein shall be directly released by the BTr to the LGU beneficiaries through authorized government servicing banks (AGSBs).

2.0 Purposes

- 2.1 To provide the guidelines for the direct release by the BTr of funds to the LGUs, including interim arrangements.
- 2.2 To reiterate compliance with existing budgeting, accounting and auditing rules and regulations pertinent to the Allocations to LGUs (ALGU) and LGU shares in the Special Purpose Funds (SPFs).
- 2.3 To delineate the roles and responsibilities of the DBM, DOF-BTr and the AGBSs.

3.0 Coverage

This Joint Circular shall cover the release of the IRA, ALGU, and all other funds authorized for LGUs in the Appropriations law.

4.0 General Guidelines

- 4.1 Consistent with its mandate to promote the sound, efficient and effective management and utilization of government resources, the DBM shall:
 - 4.1.1 Compute the specific shares of the LGUs based on the Joint Certifications issued by the collecting agencies and the BTr; and
 - 4.1.2 Issue to the BTr the pertinent budget release documents, including the list of the specific shares of LGUs, as bases for the transfer of funds to the LGUs through the AGBSs.

4.2 Similar to the function of the BTr as administrator of fund releases to government corporations, the BTr shall be the recipient of the Special Allotment Release Order (SARO) and Advice of Notice of Cash Allocation Issued (ANCAI) while the corresponding Notice of Cash Allocation (NCA) shall be issued to the AGSBs. The BTr shall issue the disbursement document, i.e., Authority to Debit Account (ADA), so as to effect the transfer of IRA and other funds to the LGUs from BTr's MDS sub-account to the depository account of the LGUs, and issue the corresponding Notice of ADA Issued to advise the LGUs accordingly.

4.2.1 The allotments for IRA released to the BTr shall be fully obligated and disbursed in the books of BTr, consistent with the provisions of Section 286 (a) of RA No. 7160, particularly on the non-imposition of any lien or holdback by the National Government for whatever purpose.

4.2.2 Allotments released to cover funds for LGUs other than the IRA shall be taken up in the BTr's Registry of Allotment and Obligation (RAO).

4.2.3 In terms of disbursements, the BTr shall observe the provisions of DOF-DBM Joint Circular No.2013-1 dated September 16, 2013 (Guidelines in the Use of ADA for Transfers to LGUs), subject to pertinent modifications as may be provided in subsequent issuances.

The duly accomplished ADA form shall be issued by the BTr to its MDS-AGSB to authorize the bank to debit the amount indicated therein from its MDS Sub-account and to credit the same amount to the depository account of the LGUs.

4.3 In the implementation of this Joint Circular, the fund codes specified in the Unified Accounts Code Structure (UACS) manual shall be used to effect/record fund transfers to LGUs, consistent with COA-DBM-DOF Joint Circular No. 2014-1 dated November 7, 2014.

4.4 The BTr shall be responsible for the submission of the required reports prescribed under existing rules and regulations by the oversight agencies (DBM, COA, DOF-BTr).

5.0 Specific Guidelines

5.1 Responsibilities

5.1.1 BIR and other Collecting Agencies

5.1.1.1 Submit to DBM appropriate certifications of the LGU shares in the pertinent revenue base for budget preparation purposes, in accordance with the timelines prescribed.

5.1.1.2 During budget execution, and whenever applicable, prepare and forward to BTr the approved joint certification of actual collections made in the base year, including the individual shares of the beneficiary LGUs.

5.1.2 DBM

5.1.2.1 Determine the allocation for each LGU, based on the certifications issued by the appropriate agencies, and consistent with the applicable issuances on the matter.

5.1.2.2 Prepare the list of beneficiary LGUs and their respective shares.

5.1.2.3 Issue the following budget release documents to the BTr:

- Comprehensive release of SARO for LGU shares in the IRA.
- Negative SARO to effect the following adjustments:
 - Deduction of MMDA share from LGUs in the National Capital Region.
 - Deduction of loan amortization, as computed by DOF-MDFO from LGUs concerned.
- Positive SARO to be issued to MMDA and DOF-MDFO to release the amount corresponding to the above-mentioned deduction.
- Release of SARO for all other funds subject to applicable guidelines, rules and regulations.

6.0 Transitory Guidelines

6.1 In the run-up to the FY 2016 implementation of the direct release by the BTr, the following preparatory activities shall be completed by all concerned:

6.1.1 DBM ROs to provide the BTr with an updated list of the depository banks/bank branch/bank accounts of LGUs under their respective regions, duly validated by the MDS-AGSBs.

6.1.2 BTr to harmonize the DBM-provided list of bank accounts with the LGUs-submitted bank accounts.

7.0 Budgeting, Accounting and Auditing Procedures

The existing budget, accounting and auditing procedures shall be observed in the implementation of this Joint Circular.

8.0 Separability Clause

If any provision in this Joint Circular is declared invalid or unconstitutional, the other provisions not affected thereby shall remain valid and subsisting.

9.0 Repealing Clause


Provisions of existing circulars which are not consistent with these guidelines are hereby repealed and/or modified accordingly.

10.0 Cases for Resolution

Cases not covered by this Joint Circular shall be referred to the DBM for resolution.

11.0 Effectivity

This Joint Circular shall take effect immediately.


FLORENCIO B. ABAD
Secretary
Department of Budget and Management




CESAR V. PURISIMA
Secretary
Department of Finance



QUARTERLY REPORT OF REVENUE AND OTHER RECEIPTS
As of the Quarter Ending June 30, 2021

Department : DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES
Agency : Office of the Secretary
Operating Unit : A.1.1
Organization Code : 18 001 01 00000
Fund Cluster : 01 - Regular Agency Fund

CLASSIFICATIONS OF REVENUE AND OTHER RECEIPTS	UNCS Code	ACTUAL REVENUE AND OTHER RECEIPTS (UNLTD FUNDS)				TOTAL	Expenditures to BTR	Deposited with AGRS	TOTAL	VARIANCE		REMARKS
		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter					Amount	%	
		REVENUE TARGET (Amount per BTR)					REVENUE TARGET (Amount per BTR)					
		1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	TOTAL	Expenditures to BTR	Deposited with AGRS	TOTAL	Amount	%	
A. Regular Agency Fund (Fund Cluster 01)												
A.1.1 Bureau Collections Tax												
Tax on Forest Products	40201050	6,490,000.00	2,097,533.76	-	-	4,095,933.71	4,079,273.71	5,592,823.28	51,366,271.77	(3,870,337.47)	-7%	
Non-Tax												
Permit License	40201100	18,633,000.00	5,631,746.62	-	-	16,534,018.68	16,612,462.72	-	10,612,462.72	4,220,555.96	37%	
Registration Fees	40201100	7,179,000.00	12,643,272.92	-	-	19,816,545.84	18,532,793.82	-	9,452,793.82	56,792,500.82	157%	
Champions and Certification Fees	40201050	4,295,000.00	2,182,160.00	-	-	3,825,900.00	3,650,599.00	-	3,650,599.00	(1,148,946.00)	-27%	
Phishing Fees	40201150	1,379,000.00	1,379,000.00	-	-	2,758,000.00	9,671,863.84	-	9,671,863.84	(6,912,863.84)	-47%	
Licensing Fees	40201050	3,297,000.00	1,560,125.00	-	-	4,857,125.00	2,801,792.29	-	2,801,792.29	(445,332.71)	-14%	
Supervisor & Reproduction Expenditure Fees	40201070	19,270,000.00	7,712,499.10	-	-	12,758,825.10	12,374,825.98	-	12,374,825.98	(483,999.12)	-3%	
Legal Fees	40201090	54,000.00	11,450.00	-	-	23,144.00	23,144.00	-	23,144.00	(30,856.00)	-57%	
Registration Fees	40201100	4,917,000.00	912,079.46	-	-	2,107,947.96	2,107,947.96	-	11,907,998.17	(9,800,040.21)	-82%	
Inspection & Identification Fees	40201110	5,840,000.00	1,210,794.41	-	-	3,758,250.87	3,758,250.87	-	11,907,998.17	(8,149,740.00)	-68%	
Phishing Fees	40201140	2,862,000.00	44,172.15	-	-	1,867,839.21	1,867,839.21	-	(1,867,839.21)	-	-	
Other Service Income	40201990	71,570,000.00	22,970,293.74	-	-	41,562,982.11	41,562,982.11	-	(41,562,982.11)	-	-	
Business License	40202040	484,514,000.00	196,974,183.63	-	-	346,673,844.36	346,673,844.36	3,298,376.88	346,673,844.36	(134,024,133.24)	-37%	
Swim/Traffic Fees	40202050	40,000.00	40,000.00	-	-	80,000.00	80,000.00	-	80,000.00	-	-	
Rental/Lease Income	40202100	267,742,000.00	194,944,713.11	-	-	346,773,129.79	334,172,994.49	4,599,835.30	338,772,829.79	(8,009,270.20)	-2%	
Income from Hotels/Resorts and Other: Bar	40202130	722,000.00	10,800.00	-	-	25,600.00	25,600.00	-	25,600.00	-	-	
Facilities												
Income from Printing and Publications	40202150	1,000.00	4,631.00	-	-	5,792.00	5,792.00	-	5,792.00	-	-	
Interest Income	40202210	875,000.00	212,147.23	-	-	662,852.77	625,260.33	-	625,260.33	(37,592.44)	-4%	
Fines and Penalties-Business Income	40202230	5,000.00	33,340.00	-	-	47,340.00	47,340.00	-	47,340.00	-	-	
Other Business Income	40202990	11,862,000.00	1,866,790.17	-	-	3,279,294.37	3,070,394.37	-	3,070,394.37	(10,861,605.63)	-91%	
Gifts												
Gifts on Sale of Property, Plant and Equipment	40201040	241,000.00	14,817,645.44	-	-	91,679,943.44	218,333.46	-	218,333.46	(91,461,610.00)	-37%	
Gifts on Sale of Unserviceable Property	40201130	150,000.00	151,270.00	-	-	301,270.00	301,270.00	-	301,270.00	-	-	
Other Gifts	40201990	-	30,950.00	-	-	178,148.00	178,148.00	-	178,148.00	-	-	
Shares												
Shares from National Wealth	40401010	1,274,000.00	8,943.29	-	-	74,000.00	74,000.00	-	74,000.00	-	-	
Other Non-Spendable Income	40501010	1,274,000.00	8,943.29	-	-	74,000.00	74,000.00	-	74,000.00	-	-	
Gifts on Sale of Property, Plant and Equipment	40601010	479,000.00	3,194,733.79	-	-	8,084,973.56	5,677,671.82	2,144,632.89	7,772,304.71	(2,312,668.85)	-29%	
Miscellaneous Income	40509990	11,000.00	-	-	-	94,000.00	94,000.00	-	94,000.00	-	-	
A.1.2 Non-Cash Revenue												
Non-Tax												
Other Non-Spendable Income	40609990	4,739,000.00	3,194,733.79	-	-	7,988,733.95	5,572,651.82	2,144,632.89	7,718,103.82	(2,269,630.13)	-29%	
Miscellaneous Income												
									11,021,180	12,582,313	14	
									51,366,271.77	51,366,271.77		
									4,079,273.71	4,079,273.71		
									10,612,462.72	10,612,462.72		
									9,452,793.82	9,452,793.82		
									3,650,599.00	3,650,599.00		
									9,671,863.84	9,671,863.84		
									2,801,792.29	2,801,792.29		
									12,374,825.98	12,374,825.98		
									23,144.00	23,144.00		
									11,907,998.17	11,907,998.17		
									1,867,839.21	1,867,839.21		
									41,562,982.11	41,562,982.11		
									346,673,844.36	346,673,844.36		
									80,000.00	80,000.00		
									338,772,829.79	338,772,829.79		
									25,600.00	25,600.00		
									5,792.00	5,792.00		
									625,260.33	625,260.33		
									47,340.00	47,340.00		
									3,070,394.37	3,070,394.37		
									218,333.46	218,333.46		
									301,270.00	301,270.00		
									178,148.00	178,148.00		
									662,852.77	662,852.77		
									74,000.00	74,000.00		
									70,000.00	70,000.00		
									7,772,304.71	7,772,304.71		
									94,000.00	94,000.00		
									7,718,103.82	7,718,103.82		
									7,179,293.85	7,179,293.85		
									7,179,293.85	7,179,293.85		
									7,179,293.85	7,179,293.85		

Income from Rent and Hotels deposited per AGRS will be subsequently deposited to BTR

Includes collection representing to 131,000.00 from loss in sale of unserviceable property of Region 5

Includes 72,000,000 collections of Region 5 deposited in AGRS which will be subsequently deposited to BTR

Includes Liquidated Damages from Central Office

QUARTERLY REPORT OF REVENUE AND OTHER RECEIPTS
As of the Quarter Ending June 30, 2021

Department : DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES
Agency : Office of the Secretary
Operating Unit : ALL
Organization Code : 00001 01 00000
Fund Character : 01 - Regular Agency Fund

CLASSIFICATION OF REVENUE AND OTHER RECEIPTS	ILCS Code	REVENUE TARGET (Amount per BESF)	ACTUAL REVENUE AND OTHER RECEIPTS COLLECTIONS					TOTAL	Balance in BTR	Deposited with AGDB	TOTAL	VARIANCE		REMARKS
			1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	%					Amount	%	
A.1 Non-Revenue Collections/Other Receipts														
1.2.1 Cash Receipts			111,823,607.73	6,208,075.76			118,031,683.49	11,307,383.51	4,261,972.48	116,602,749.99	17,428,982.59	12.42%		
Others			111,823,607.73	5,633,000.00			117,456,607.73	11,307,383.51	4,261,972.48	116,602,749.99	17,428,982.59	12.42%		
- Refund of cash advances			1,372,816.23	1,132,763.17			2,505,579.40	2,405,581.40	-	2,505,579.40	2,405,581.40	95.99%		
- Refund of expenditures			798,170.82	34,224.31			832,395.13	723,061.33	-	832,395.13	723,061.33	86.91%		
- Miscellaneous			1,000,000.00	1,000,000.00			2,000,000.00	1,982,520.00	-	2,000,000.00	1,982,520.00	99.12%		
- Others			102,457,944.38	4,298,012.52			106,755,956.90	106,755,956.90	4,261,972.48	106,755,956.90	106,755,956.90	100.00%		
A.2.2 Non-Cash Receipts			1,868.27	947,678.16			949,546.43	-	-	949,546.43	949,546.43	50.85%		
- Collections effected through multiple deductions from				27,397.87			27,397.87	-	-	27,397.87	27,397.87	100.00%		
- Others			1,868.27	920,280.29			922,148.56	-	-	922,148.56	922,148.56	49.45%		
TOTAL		678,500,000.00	248,654,121.13	7,155,753.92			255,809,875.05	25,614,767.03	4,261,972.48	251,547,902.57	37,261,912.52	14.29%		

Certified Correct:

Recommending Approval:

Approved by:

[Signature]
DIRA M. NILLOSAN
Department Chief/Accountant

[Signature]
ANGELITO V. FONTANILLA
Director, Financial Management Service

[Signature]
ENGR. NONITA S. CAGUIOA
Asst. for Finance, Information Systems and Mining Concerns

QUARTERLY REPORT OF REVENUE AND OTHER RECEIPTS
As of the Quarter Ending December 31, 2020

FAR No. 5

Department : DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES
Agency : Office of the Secretary
Operating Unit :
Organization Code : 10 001 01 00000

CLASSIFICATION/SOURCES OF REVENUE AND OTHER RECEIPTS	BACS Date	REVENUE TARGET (As per RFP)	ACTUAL REVENUE AND OTHER RECEIPTS COLLECTORS				TOTAL	Cumulative Performance/Deposits to Date		VARIANCE		REMARKS
			1st Quarter	2nd Quarter	3rd Quarter	4th Quarter		Reference to BTR	Deposited to AGDR	%	%	
1	2	3	4	5	6	7	8(As per RFP)	9	10	11(As per RFP)	12(As per RFP)	
A. Regular Agency Fund (Fund Cluster 01)												
A.1 Revenue Collections		641,461,000.00	197,821,975.13	206,741,251.32	278,170,895.96	174,134,143.69	966,868,226.10	966,799,327.83	1,188,981.28	917,908,299.01	418,941,228.08	77.89%
A.1.1 Cash Revenues												
- Tax												
Tax on Forest Products	4010950	6,077,000.00	3,740,179.39	3,086,140.25	4,490,354.32	6,473,209.03	20,120,884.45	20,120,884.45		20,120,884.45	14,302,759.49	73.14%
- Non-Tax Service Income		118,954,000.00	46,794,390.00	48,138,424.70	52,984,382.81	68,290,052.07	187,719,897.54	186,834,309.56	518,199.28	186,578,400.44	68,798,897.54	97.87%
Permit Fees	40201810	19,636,000.00	5,803,147.05	6,963,208.33	6,291,176.25	12,875,326.35	31,874,640.00	31,874,640.00		31,874,640.00	11,348,848.00	62.41%
Registration Fees	40201910	4,116,000.00	2,857,720.20	2,805,623.00	3,738,447.70	6,898,549.70	17,394,447.70	17,394,447.70		17,394,447.70	6,886,060.70	67.36%
Clearance and Certification Fees	40201040	15,435,000.00	5,291,657.00	5,424,719.20	4,184,562.86	4,977,341.75	16,722,134.13	16,744,002.19	700.00	16,249,783.19	943,354.29	5.46%
Processing Fees	40201130	1,894,000.00	678,083.26	808,842.49	1,274,868.13	1,068,199.85	3,879,480.95	3,877,353.95	-2,127.00	3,631,131.95	1,788,600.00	59.81%
Supervision & Reg. En'g. Fees	40201070	19,326,000.00	409,373.30	11,827,460.90	898,713.98	1,263,841.69	14,863,395.57	14,863,395.57		14,863,395.57	15,461,199.57	23.96%
Legal Fees	40201190	14,000.00	21,255.50	7,008.00	14,362.00	39,111.91	77,941.42	77,941.42		77,941.42	63,941.42	49.87%
Inspection Fees	40201100	4,899,000.00	984,508.17	490,039.18	1,154,449.95	1,408,995.11	4,087,794.21	4,087,794.21		4,087,794.21	873,416.79	13.79%
Verification & Authentication Fees	40201130	2,770,000.00	801,644.45	181,448.00	184,191.94	1,792,618.09	3,722,726.08	3,722,726.08		3,722,726.08	99,729.48	34.53%
Fees and Penalties Service Income	40201140	2,019,000.00	914,540.82	864,146.14	694,670.45	1,077,471.57	3,372,323.18	3,370,875.18	-2,478.00	3,372,323.18	1,923,205.18	94.22%
Other Service Income	40201990	48,821,000.00	25,276,303.24	24,123,047.79	15,059,443.84	23,570,824.18	102,718,829.24	101,515,308.66	-229,725.00	101,795,083.86	54,897,699.24	51.98%
Business Income		408,474,000.00	131,281,986.81	288,264,712.35	370,584,944.79	87,758,954.49	718,946,522.28	718,837,702.08	-218,820.00	718,946,522.28	313,146,312.28	76.57%
Permit/Issuance Income from Health/Donorships	40202050	20,218,000.00	579,013.17	179,079,443.03	108,137,374.27	25,487,063.79	50,841,851.89	50,841,851.89		50,841,851.89	11,120,000.00	163.79%
Interest Income	40202190	425,000.00	219,439.01	54,526.75	838,557.49	258,881.84	867,879.49	867,879.49		867,879.49	484,839.91	5.82%
Fines and Penalties-Business Income	40202230	5,000.00	10,688.00	3,048.20	91,736.00	263,882.57	312,267.77	312,267.77		312,267.77	346,287.77	725.99%
Other Business Income	40202990	18,229,000.00	2,476,972.27	549,157.61	1,548,953.87	1,511,388.15	6,138,212.48	6,138,212.48		6,138,212.48	11,640,367.86	48.17%
Share in profits of joint ventures	40212210	300,000,000.00	221,000.00	-	-	1,590.00	4,215.00	4,215.00		4,215.00	18,419,368.08	-47.81%
Income from Printing and Publications	40212150	8,000.00	-	-	-	9,319,422.30	7,469,113.19	8,448,313.31	1,889,200.12	1,889,200.12	1,640,000.00	1.74%
Gains on Sale of PPE	40201040	-	-	-	-	60,840.00	71,000.00	71,000.00		71,000.00	71,000.00	100.00%
Other Gains	40501990	-	-	-	-	9,876,729.70	1,573,147.70	1,573,147.70		1,573,147.70	1,573,147.70	1.73%
Forward from Insurance/Indemnities	40609018	-	-	-	-	3,244.81	3,244.81	3,244.81		3,244.81	3,244.81	3.74%
Share/ Grants & Donations		2,191,000.00	288,827.81	82,106.32	178,398.73	-	944,922.86	944,922.86		944,922.86	1,676,877.96	75.07%
Share from Mutual Wealth	40401010	2,181,000.00	288,827.81	82,106.32	178,398.73	-	944,922.86	944,922.86		944,922.86	1,676,877.96	75.07%
Other Non-Operating Income		3,888,000.00	11,897,988.91	852,897.73	6,614,990.66	7,998,427.94	28,975,773.81	28,777,888.15	-200,900.00	29,246,198.25	24,095,753.82	498.24%
Miscellaneous Income	40609990	4,112,000.00	11,897,988.91	736,459.49	9,188,088.19	3,247,398.32	26,252,414.20	26,136,068.55	-116,345.65	26,218,654.55	22,829,452.20	536.44%
Sale of Assets	40601028	1,372,000.00	5,000.00	5,000.00	-	-	285,000.00	285,000.00		285,000.00	1,087,800.00	79.23%
Sale of Unimproved Property	40901170	115,000.00	163,637.72	163,637.72	141,972.78	170,900.42	2,259,729.42	2,259,729.42		2,259,729.42	2,144,726.42	186.80%
Gain on Sale of PPE	40501060	-	63,800.00	-	81,000.00	-	247,751.90	247,751.90		247,751.90	247,751.90	100.00%
A.1.2 Non-Cash Revenues												
Gains	40501990	-	-	-	-	9,222.99	9,222.99	9,222.99		9,222.99	9,222.99	100.00%
Other Non-Operating Income		-	14,804.83	324,889.51	48,096.48	924,773.88	1,950,573.33	8,964.88		9,594.01	1,110,172.52	100.00%
Miscellaneous Income	40609990	-	14,804.83	324,889.51	48,096.48	924,773.88	1,950,573.33	8,964.88		9,594.01	1,110,172.52	100.00%
A.2 Non-Revenue Collections/Other Receipts												
A.2.1 Cash Receipts												
Others	19901000	2,695,827.04	1,428,319.34	1,428,319.34	1,428,319.34	3,417,529.79	8,774,123.43	8,504,893.72	177,774.13	8,774,123.43	8,774,123.43	100.00%
Refund of cash advances	19901000	204,789.84	163,891.56	163,891.56	163,891.56	391,830.96	2,444,789.84	2,444,789.84		2,444,789.84	2,444,789.84	100.00%
Refund of overpayments	19901000	148,798,178.29	2,222,899.37	2,222,899.37	2,222,899.37	9,511,238.14	165,163,222.34	158,938,127.49	6,225,094.85	146,773,389.14	165,163,222.34	100.00%
Others (Due to Other Funds)	29501000	-	-	-	-	27,500.00	27,500.00	27,500.00		27,500.00	27,500.00	100.00%
A.2.2 Non-Cash Receipts												
Collections effected through credit deductors from claims		95,882.91	171,733.26	171,733.26	171,733.26	916,985.89	8,277,350.72	9,104,854.89	8,687,772.58	9,104,854.89	5,101,905.09	55.92%
Overpayment of expenses		-	68,812.45	68,812.45	68,812.45	68,812.45	68,812.45	68,812.45		68,812.45	68,812.45	100.00%
Overpayment of salaries		-	1,920,920.81	1,920,920.81	1,920,920.81	1,920,920.81	1,920,920.81	1,920,920.81		1,920,920.81	1,920,920.81	100.00%
Others		-	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00	2,000,000.00		2,000,000.00	2,000,000.00	100.00%
Sub-Total: Regular Agency Fund (Fund Cluster 01)		141,461,000.00	294,747,888.79	294,747,888.79	381,665,713.73	177,431,596.38	1,146,218,587.47	1,146,218,587.47	9,548,943.04	1,155,767,530.51	604,851,887.47	113.77%

QUARTERLY REPORT OF REVENUE AND OTHER RECEIPTS
As of the Quarter Ending December 31, 2018
(In Pesos)

Table with columns: CLASSIFICATION / SOURCES OF REVENUE AND OTHER RECEIPTS, UACS Code, REVENUE TARGET (Annual), and ACTUAL REVENUE AND OTHER RECEIPTS COLLECTIONS (1st Quarter to 4th Quarter, TOTAL, Remittances to ST, Deposited with AGOB, Total). Includes rows for General Fund, Accounts Receivable, Due from National Government Agencies, etc.

QUARTERLY REPORT OF REVENUE AND OTHER RECEIPTS
As of the Quarter Ending December 31, 2017

FAR No. 5

Department : DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES
Agency :
Operating Unit :
Organization Code : 10 000 00 0000

CLASSIFICATION/SOURCES	UACS Code	REVENUE			ACTUAL REVENUE AND OTHER RECEIPTS COLLECTORS							TOTAL			CUMULATIVE REMITTANCE/DEPOSITS TO DATE			VARIANCE		REMARKS
		Annual	3rd Quarter	2nd Quarter	1st Quarter	4th Quarter	3rd Quarter	2nd Quarter	1st Quarter	6th Quarter	TOTAL	Remittance to BTR	Deposited with AGDB	TOTAL	Amount	%				
A. General Fund (formerly Fund 101)																				
-Tax																				
Business Tax (Tax on Forest Products)	40709560	17,084,000.00	1,288,135.41	3,622,390.46	4,910,545.87	4,910,545.87														
-Non-Tax																				
Service Income	40701010	343,847,000.00	494,598,407.78	374,155,807.03	358,520,448.57	380,253,543.73	1,212,522,203.11													
Permit Fees	40701010	96,117,000.00	34,022,785.29	23,734,093.89	39,814,497.52	47,851,111.50	145,232,553.89													
Registration Fees	40701010	4,167,000.00	4,545,304.60	1,911,746.97	13,778,579.04	25,264,658.81	45,100,709.42													
License and Certification Fees	40701040	15,055,000.00	3,715,909.87	2,597,331.19	4,154,605.65	3,644,483.35	15,104,930.76													
Licensing Fees	40701060		1,100.00	3,881.50	3,493.00	4,020.00	6,274.50													
Supervision & Regulation Enforcement Fees	40701070	12,041,000.00	5,817,141.19	21,960.00	184,845.00	184,813.56	5,276,859.75													
Legal Fees	40701090	479,000.00	24,500.00	21,986.16	7,074.00	31,766.00	64,498.16													
Inspection Fees	40701100	4,537,000.00	951,943.25	1,013,030.84	1,229,900.24	990,064.32	4,201,938.65													
Verification and Authentication Fees	40701110	7,863,000.00	2,012,857.00	2,033,205.40	12,674,979.20	417,395.54	1,796,468.74													
Processing Fees	40701130	1,318,000.00	398,331.72	553,331.76	660,719.30	608,598.14	2,335,530.32													
Fines and Penalties- Service Income	40701140	1,939,000.00	1,346,047.76	1,786,916.76	1,784,446.98	3,147,679.59	4,728,821.69													
Other Service Income	40701990	44,305,000.00	13,797,147.54	11,487,487.64	30,493,414.27	15,104,302.28	60,823,351.73													
Income from Printing and Publications	40701350				5,950.00	300.00	5,950.00													
Business Income		237,351,000.00	656,772,361.38	15,723,270.01	117,518,311.98	35,647,079.48	1,053,880,813.05													
Seminar/Training Fees	40702040	220,000.00	27,500.00	119,000.00	179,000.00	128,000.00	696,000.00													
Rent/Lease Income	40702050	134,709,000.00	69,478,781.90	45,631,369.64	67,297,841.73	36,042,352.91	218,448,346.18													
Income from Hotels/Resort/Restaurants	40702130	616,000.00	305,082.00	285,336.81	447,836.52	498,850.00	1,911,655.43													
Sales Revenue	40702160	1,764,000.00	72,950.00	6,900.00	149,850.00	105,000.00	335,000.00													
Interest Income	40702210	929,000.00	413,196.51	301,774.81	2,122,419.48	243,996.32	3,081,387.72													
Prizes and Penalties-Business Income	40702230	7,000.00	56,004.94	34,709.43	9,544.00	8,310.69	106,569.10													
Other Business Income	40702990	19,108,000.00	7,415,657.61	2,264,091.82	6,458,473.67	2,853,018.26	20,989,231.36													
Share in profit of joint venture	40702220	80,000,000.00	378,760,187.98	104,100,597.50	39,054,946.48	287,114,931.30	809,070,663.26													
Shares, Grants and Donations		1,300,000.00	12,296.34	1,382,917.48	31,954.32	22,000.00	1,454,522.14													
Share from Real Estate	40401010	1,300,000.00	12,296.34	1,382,917.48	31,954.32	22,000.00	1,454,522.14													
Guarantee Income	40702180																			
Gain on Sale of PPE	40501040	6,562,000.00	303,088.53	320,359.60	347,164.99	1,851,848.95	2,858,462.07													
Other Gain	40501990	1,000.00	71,487.03	320,319.60	214,919.00	4,336.00	707,711.00													
Proceeds from Insurance/Indemnities	40609010	4,561,000.00	331,601.50		137,651.99	1,191,298.96	1,323,950.87													
Other Non Operating Income		4,615,000.00	3,412,210.24	1,062,798.05	808,215.36	4,087,493.20	9,370,818.85													
Miscellaneous Income	40609990	4,589,000.00	2,795,731.24	1,052,396.05	777,301.96	2,916,881.31	5,542,501.46													
Sale of Assets	40601010	26,000.00	614,875.00	20,012.00	729,178.16	914,065.16	316,065.16													
Sale of Unsecurable Property	40601020		1,704.00	10,212.00	10,908.40	891,433.83	914,260.23													
Pre Year Income Depreciated this Year																				
Total Fund 101		361,031,000.00	697,864,559.19	182,778,197.49	133,609,902.70	386,253,543.73	1,312,522,203.11	1,236,418,131.32	3,011,148.89	1,111,480,291.41	851,301,203.11	1,111,480,291.41	1,111,480,291.41	1,111,480,291.41	134.12(2)	100.00%				



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
BONCODIN HALL, GENERAL SOLANO STREET, SAN MIGUEL, MANILA

CIRCULAR LETTER

No. 2021 - 10
October 15, 2021

TO : Heads of Departments/Agencies/State Universities and Colleges (SUCs) and Other Offices of the National Government; Budget Officers; Heads of Accounting Units, and All Others Concerned

SUBJECT : **REITERATION OF THE DEADLINE FOR SUBMISSION OF AGENCY REQUEST/S FOR THE RELEASE OF ADDITIONAL FUNDS REQUIRING THE ISSUANCE OF SARO/NCA**

- 1.0 In order to maximize the use of available funds, and considering the limited validity period for release, obligation and utilization of all budget authorization, **item 3.15.1 of National Budget Circular (NBC) No. 583** (Fund Release Guidelines for FY 2021) dated January 4, 2021 prescribed that agencies have **up to November 15, 2021** to submit their requests for the release of additional SAROs/NCAs.
- 2.0 Relative thereto, all concerned are reminded that requests requiring issuance of SARO/NCA received by DBM **after November 15, 2021 shall no longer be acted upon within FY 2021** but processing thereof shall be deferred to FY 2022.
- 3.0 However, requests pertaining to the following mandatory/urgent purposes are exempted from subject cut-off date:
 - 3.1 PS deficiencies including, but not limited to, Retirement and Life Insurance Premium contribution (Government Share), Performance-Based Bonus, etc.; as well as
 - 3.2 COVID-19 measures and disaster mitigation projects/programs.
- 4.0 This Circular shall take effect immediately.


TINA ROSE MARIE L. CANDIA
Officer-in-Charge



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
GENERAL SOLANO STREET, SAN MIGUEL, MANILA

NATIONAL BUDGET CIRCULAR

No. 583
January 4, 2021

For : All Heads of Departments/ Agencies/ State Universities and Colleges (SUCs) and Other Offices of the National Government, including Commissions/Offices under the Constitutional Fiscal Autonomy Group (CFAG), Government Entities Receiving Budgetary Support (Government-owned or —Controlled Corporations [GOCCs] and Local Government Units [LGUs]); Budget Officers; Heads of Accounting Units; and All Others Concerned

Subject : **GUIDELINES ON THE RELEASE OF FUNDS FOR FY 2021**

1.0 PURPOSES

- 1.1 To provide policies, procedures, rules and regulations on the release, utilization of funds, and monitoring of items authorized under Republic Act No. 11518, the FY 2021 General Appropriations Act (GAA), in accordance with the General and Specific Provisions, thereof.
- 1.2 To synchronize fund release with the implementation of the overall physical and financial plans, targets and schedules submitted by the departments, agencies, and/or operating units (OUs).
- 1.3 To streamline the process of performance evaluation through the required budgetary reports.

2.0 COVERAGE

All departments, agencies and OUs of the National Government, including CFAG, SUCs, GOCCs and LGUs receiving budgetary support from the national government from all sources of appropriations in FY 2021.

3.0 GENERAL GUIDELINES

- 3.1 The FY 2021 GAA takes effect on January 1, 2021 as provided under **Section 1**, General Provisions (GP) of said law.

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- 3.2 Consistent with the FY 2021 fiscal program, as approved by the Development Budget Coordination Committee (DBCC), the programmed aggregate allotment releases during the year from all appropriation sources shall not exceed the Total Obligation Program under Table H of the FY 2021 Budget of Expenditures and Sources of Financing (BESF).
- 3.2.1 The Allotment Release Program (ARP) of each National Government Agency (NGA) shall be an amount equal to the aggregate of the following:
- 3.2.1.1 Its Built-in Appropriation under the FY 2021 GAA; and
- 3.2.1.2 The programmed level of its automatic appropriations, i.e., Retirement and Life Insurance Premiums (RLIP), Special Accounts in the General Fund (SAGF), among others.
- 3.2.2 In accordance with prudent fiscal management, taking into account programmed available financing sources (revenues, net proceeds from borrowing, cash balance) and subject to agency absorptive capacity, **unless supported with incremental adjustments in performance targets**, the following items shall be accommodated within the agency ARP, i.e., to be offset against the items programmed/identified under item 3.2.1 hereof:
- 3.2.2.1 Releases from Unprogrammed Appropriations (UA) under the FY 2021 GAA;
- 3.2.2.2 Other automatic appropriations, such as SAGFs, grant proceeds, among others; as well as
- 3.2.2.3 Other appropriation sources as extended by subsequent legislative enactment.
- 3.3 Consistent with **Section 62**, GPs of the FY 2021 GAA and FY President's Veto Message, **all appropriations** authorized under the FY 2021 GAA, including budgetary support to GOCCs and other SPFs, shall be available for release, obligation and disbursement for the purpose specified, and under the same General and Special Provisions of said GAA applicable thereto until **December 31, 2021**.
- 3.4 Amounts appropriated under the FY 2021 GAA as financial assistance to LGUs released during the fiscal year to be deposited in a trust fund shall be available for obligation and disbursement until December 31, 2022.
- 3.5 Appropriations for the **statutory shares of LGUs**, shall be available for obligation and disbursement until fully expended:
- 3.5.1 Internal Revenue Allotment (IRA) share from actual national internal revenue taxes collected in FY 2018 (Republic Act [R.A] No. 7160), and

3.5.2 Special Shares in the proceeds of National Taxes:

- 3.5.2.1 From the utilization and development of national wealth within their territorial jurisdiction (Sections 289 to 291, R.A. No. 7160);
- 3.5.2.2 From Tobacco Excise Tax (R.A. No. 7171 – Virginia Tobacco Cigarettes, R.A. No. 8240 as amended by R.A. No 10351 – Burley and Native Tobacco Products);
- 3.5.2.3 From gross income taxes paid by businesses/enterprises within economic zones (R.A. No. 7922, as amended by R.A. No. 9400);
- 3.5.2.4 From Value-Added Tax (VAT) (R.A. No. 7643) and VAT in lieu of Franchise Tax (R.A. Nos. 7953 and 8407); and
- 3.5.2.5 From share in Fire Code Fees (R.A. No. 9514).

3.6 With the approved extension of R.A. Nos. 11465 and 11494, the following end-period validity of appropriations shall be observed:

- 3.6.1 **June 30, 2021** – for release, obligation and disbursement of items appropriated under R.A. No. 11494 (the Bayanihan to Recover as One Act or Bayanihan II), as extended pursuant to R.A. No. 11519.
- 3.6.2 **December 31, 2021** – for release, obligation and disbursement of appropriation items i.e., PS, MOOE and CO, under R.A. No. 11465 (FY 2020 GAA), as extended pursuant to R.A No. 11520.

3.7 **After the end of validity period**, all unreleased appropriations or unexpended or undisbursed funds shall revert to the unappropriated surplus of the General Fund, in accordance with **Section 28, Chapter 4, Book VI of E.O. No. 292¹** and shall not be available for expenditure except by subsequent legislative enactment.

3.8 The obligational authority for items of appropriations in the budget shall be released through the following:

- 3.8.1 **GAA as the Allotment Order (GAAAO)** for items classified as For Comprehensive Release (FCR) per Schedule I, including increase in amount of existing PAPs from the President's Budget to GAA to be supported by increase in targets; and
- 3.8.2 **Special Allotment Release Order (SARO) or General Allotment Release Order (GARO)**, for items of appropriations classified as For Later Release (FLR). These items shall be considered the withheld portion of the budget.

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¹ Executive Order No. 292 dated July 25, 1987 (Instituting the "Administrative Code Of 1987")

- 3.9 Release of funds in the FY 2021 GAA are made directly to the Regional Offices (ROs) or Operating Units (OUs) of agencies. An OU refers to an organizational entity directly receiving NCA from DBM and capable of administering its own funds.
- 3.9.1 Funds specifically appropriated to ROs or OUs of agencies shall be released directly to these ROs and OUs, except as otherwise requested by the agencies to the DBM (**Section 65**, GP of the FY 2021 GAA).
- 3.9.2 **Centrally-Managed Items (CMI)** or Lump-sum Appropriations in the budget of agencies, for which the recipient ROs or OUs and the specific amounts allocated for each, have not been identified in the GAA thus classified as FLR and shall be released directly to the RO or OU upon agency submission to DBM of a Special Budget Request (SBR), supported by the complete details of the activities or projects and the corresponding cost up to the lowest level, i.e., provincial, city or municipal, as the case may be (**Section 66**, GP of the FY 2021 GAA).
- 3.10 Release of funds, i.e., Obligational Authority and Disbursement Authority shall be in accordance with the targets set forth under the **DBM-evaluated Budget Execution Documents (BEDs)** for FY 2021 prepared and submitted by agencies/OU through the Unified Reporting System (URS) pursuant to DBM Circular Letter (CL) Nos. 2016-9², 2017-12³, 2019-13⁴ and 2020-13⁵.
- 3.10.1 The **Financial Plan (FP) or BED No. 1** shall be the basis for determining the obligation program of the agency, classifying the agency/OUs budgetary items into a) "For Comprehensive Release (FCR)"; and b) "For Later Release (FLR)".
- 3.10.2 The **Physical Plan (PP) or BED No. 2** shall serve as the overall physical plan of the department/agency/operating units (OUs) and shall be updated to include increased targets for increases in the amounts of existing PAPs from President's Budget to GAA.
- 3.10.3 The **Monthly Disbursement Program (MDP) or BED No. 3** shall serve as basis for the DBM's release of disbursement authorities including the comprehensive Notice of Cash Allocation (NCA). The MDP shall likewise be prepared for later requirements of the agency for its regular operating requirements, in addition to those to be covered by other disbursement authorities (e.g., tax remittance advice (TRA), non-cash avallment authority (NCAA), cash disbursement ceiling (CDC)).

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² DBM CL 2016-9 dated October 27, 2016 (Submission of the Annual Budget Execution Plans)

³ DBM CL 2017-12 dated October 19, 2017 (Amended Guidelines for the Preparation of the Annual Budget Execution Plans)

⁴ DBM CL 2019-13 dated October 31, 2019 (Reminding Agency Submission Of Budget Execution Documents For FY 2020 and For Other Purposes)

⁵ DBM CL 2020-13 dated October 26, 2020 (Reminding Agency Submission Of Budget Execution Documents For FY 2021 and For Other Purposes)

- 3.10.3.1 Additional NCAs, as may be required, shall be issued for items classified under FLR, as well as Prior Year's obligation.
- 3.10.3.2 Other disbursement authorities, i.e., TRA, NCAA, CDC, may be issued for agency specific budgets.
- 3.11 Agencies are reminded that agency-specific funds for the purchase of motor vehicles for FY 2021 as reflected in the FY 2021 GAA shall no longer require the issuance of Authority to Purchase Motor Vehicles (APMV) by the DBM. This policy covers motor vehicles with the same number, specifications, unit costs and intended use/user indicated in the confirmation letters issued by the DBM to the agencies during budget preparation.
- 3.12 As a general rule, departments, bureaus and offices of the National Government, including Constitutional Offices enjoying fiscal autonomy and SUCs shall spend what is programmed in their respective appropriations in the FY 2021 GAA.

In exceptional circumstances, agencies may modify the allotment issued within an activity or project (**Section 72**, GPs of the FY 2021 GAA), upon timely submission of reports by all offices concerned. **The existence of an allotment class or object of expenditure in the recipient P/A/P is not necessary for purposes of modification.**

- 3.12.1 Modification refers to any change within an activity or project, change in operating unit, allotment class, object of expenditure, within an agency or department budget. It may likewise cover Special Purpose Funds (SPFs) and purposes authorized under the Unprogrammed Appropriation, as reflected in the FY 2021 GAA.
- 3.12.2 Modification covering allotments for MOOE and CO shall not entail any increase in the total amount appropriated for an activity or project. In the case of programs with several activities, modification may be done only within each activity.
- 3.12.3 Use of PS appropriations for any PS deficiency provided herein are not considered as a form of modification. Thus, any available allotment for PS within a department or agency may be utilized by said department or agency for the payment of deficiencies in authorized personnel benefits, subject to **Section 47** of the GPs of the FY 2021 GAA, with the payment of magna carta benefits still subject to **Section 52**, GPs of FY 2021 GAA.
- 3.12.4 Similarly, the grant of Collective Negotiation Agreement (CNA) is an exemption to the Modification of Allotment and shall be subject to **Section 73** of GPs of the FY 2021 GAA.
- 3.13 The following guidelines shall be observed in the use of savings to augment deficient appropriations for P/A/Ps in the FY 2021 GAA:

- 3.13.1 An item of appropriation refers to the amount appropriated for an activity or project authorized in the FY 2021 GAA. A deficiency in an item of appropriation may result from:
- 3.13.1.1 Unforeseen modifications or adjustments in the P/A/P;
 - 3.13.1.2 Re-assessment in the use, prioritization and/or distribution of resources; and
 - 3.13.1.3 Additional requirements for a P/A/P in view of a declaration of a state of national calamity.
- 3.13.2 Savings as defined under **Section 69**, GPs of the FY 2021 GAA, refer to portions or balances of any released appropriations in the FY 2021 GAA which have not been obligated as a result of any of the following conditions:
- 3.13.2.1 Completion, final discontinuance, or abandonment of a program, activity or project for which the appropriation is authorized.

However, in case the declaration of savings is based on final discontinuance or abandonment, such discontinued or abandoned program, activity or project cannot be proposed for funding in the next two (2) fiscal years, i.e., 2022 and 2023, **except** in cases where this condition is specifically waived **in view of a declaration of a state of national calamity or a specific law to this effect.**
 - 3.13.2.2 Implementation of measures resulting in improved systems and efficiencies and thus enabled an agency to meet and deliver the required or planned targets, programs and services approved in the FY 2021 GAA at a lesser cost.
- 3.13.3 Augmentation, pursuant to **Section 68**, GPs of the FY 2021 GAA, is the act of the constitutional officers authorized to use savings in their respective appropriations to cover actual deficiencies incurred for the current year in any existing item of appropriation within their respective offices.
- 3.13.4 Savings may be used to augment actual deficiency/ies incurred for the current year in any existing item activity or project within the respective appropriations of each authorized constitutional officer cited in **Section 68** GPs of the FY 2021 GAA. The existence of an activity or project regardless of the availability of allotment class/es is sufficient for the purpose of augmentation (**Section 70**, GPs of the FY 2021 GAA).
- 3.13.5 In the use of savings, priority shall be given to the payment of compensation, mid-year and year-end bonus and cash gift,



retirement gratuity, terminal leave benefits, old-age pension of veterans, and other personnel benefits authorized by law and under the FY 2021 GAA, as well as the implementation of priority projects or activities covered in the FY 2021 GAA (**Section 71**, GPs of the FY 2021 GAA).

3.14 Departments/agencies are no longer authorized to avail of excess income since their annual financial requirements to cover their implementation-ready programs and projects have been fully provided, consistent with the policy of adopting an annual cash based budget.

3.14.1 The following agencies which are included in Table B.15 of the FY 2021 BESF are authorized by specific laws to utilize income collections accruing to their SAGFs to cover their operating requirements. With this funding source, these specific agencies are provided minimal budget support in the GAA since their requirements are charged against their income collection, subject to the usual budgeting rules and regulations:

- DOF – Insurance Commission – MOOE;
- DOTr – Office for Transportation Security – PS and MOOE;
- DOLE – Office of the Secretary (Verification Fees) – MOOE; and
- DOJ – Land Registration Authority - MOOE and CO.

3.14.2 Agencies, which pursuant to their respective mandates, are authorized to collect fees and/or sell official publications shall deposit proceeds therefrom with the National Treasury as income of the General Fund, pursuant to Section 44, Chapter 5, Book VI of E.O. No. 292.

3.14.2.1 Fees collected from the conduct of seminar, conference, training and oath-taking activities from government and private agency participants (**Section 12**, GP of the FY 2021 GAA).

3.14.2.2 Proceeds from the sale of official publications, to defray the cost of preparing, printing and disseminating such official publications (**Section 13**, GP of the FY 2021 GAA).

3.14.3 Agencies which do not have appropriations in their budget for the purpose, i.e., conduct of seminar, conference, training and oath taking activities and/or sale of official publications, may use such proceeds subject to budgeting, accounting, and auditing rules and regulations. Any excess proceeds therefrom shall be deposited with the National Treasury as income of the General Fund (**Sections 12 & 13**, GPs of the FY 2021 GAA).



3.15 Required Timelines

- 3.15.1 **November 15, 2021** - deadline for submission to the DBM of agency request/s for any release requiring issuance of SAROs/ additional NCAs.
- 3.15.2 **Within 30 days after the end of each quarter** – submission of the Budget and Financial Accountability Reports (BFARs) by program, activity or project, pursuant to Section 90, GP of the FY 2021 GAA.
- 3.15.3 **On or before the tenth day of the month immediately following the covered period:**
 - 3.15.3.1 The Monthly Report on Appropriations, Allotments, Obligations and Disbursements, with **identification on the obligations and disbursements attributed to COVID-19 initiatives under Bayanihan I and Bayanihan II**, should be submitted to DBM, in the format prescribed under DBM CL No. 2015-9; and
 - 3.15.3.2 Monthly Report of Disbursements (FAR No. 4).

3.16 The DBM shall conduct Agency Performance Reviews (APRs) prescribed under DBM CL No. 2018-13⁶ to determine the level of performance of each agency in terms of physical outputs, as well as actual expenditures incurred in the productions/delivery of goods/services to the public vis-à-vis targets for the same period. The result of APR will be used as one of the bases for determining the necessity of any of the following:

- 3.16.1 Release of the balance of the FLR items under the FY 2021 Programmed Appropriations;
- 3.16.2 Additional release from SPFs;
- 3.16.3 Approval of requests for modification in allotment; or
- 3.16.4 Revision of plans/targets as reflected in the DBM-evaluated BEDs submitted by agencies.

Two (2) APRs, mid-year and end-year, shall be conducted by the DBM using the following documents, among others:

- a. BFARs as of June 30 and as of December 31 encoded through the URS;
- b. APR report; and
- c. Summary of findings and overall agency recommendation.



⁶ DBM CL 2018-13 dated November 22, 2018 (Guidelines for the Conduct of Agency Performance Reviews (APRs) and Evaluation Thereof Effective FY 2018 and Onwards)

3.17 Given the availability of various sources of appropriations in FY 2021, for reasons of transparency and accountability, and to monitor and ensure the timely and proper implementation of programs/activities/projects funded under the FY 2021 budget, the implementing units shall submit to the DBM the following documents:

3.17.1 **Monthly Report of Disbursements (MRD)**, using Financial Accountability Report (FAR) No. 4, as prescribed under COA-DBM Joint Circular No. 2019-1 dated January 1, 2019 **due on or before the 10th day of the month following the last month of the covered reporting period**; and

3.17.2 In case of under-performance vis-à-vis **the FY 2021 program** during the first quarter, a **Catch-up Plan** with the full year targets (the prescribed form is shown as **Attachment 1**), reflecting the actual performance as of February 2021 and with estimated outturn for March 31, 2021 (using Annex A - Appropriations, Obligations and Disbursement as of the month ending March 31, 2021 as prescribed under DBM CL No. 2015-9 dated June 30, 2015), and the rest of FY 2021. Such plan shall guide budgetary strategies in the implementation of the programs and projects of the agencies.

3.18 Departments/agencies are required to implement the transparency provisions pursuant to **Sections 11, 95 and 96**, GPs of FY 2021 GAA and Executive Order (EO) No. 2, s. 2016 (Operationalizing in the Executive Branch the People's Constitutional Right to Information and the State Policies to Full Public Disclosure and Transparency in the Public Service and Providing Guidelines Therefor).

4.0 **SPECIFIC GUIDELINES**

4.1 Obligational Authorities shall be released pursuant to the following procedures:

4.1.1 The list of GAA Items FCR through GAAAO is summarized under **Schedule I**. On the other hand, the list of Expenditure Items FLR through SARO/GARO is summarized under **Schedule II**. Details of the aforesaid schedules are enumerated in the following annexes:

4.1.1.1 **Schedule I – FCR**

- **Annex A** - Summary of Appropriations by Agency under FCR.
- **Annex A-1** - Summary of Funds for Direct Release to Implementing Agencies under FCR.



4.1.1.2 **Schedule II- FLR**

- **Annex B** - Summary of Appropriations by Agency by Program, Activity and Project under FLR.
- **Annex B-1** - Summary Funds for Direct Release to Implementing Agencies under FLR.

When covered with the pertinent special provisions in the GAA, appropriations under an agency which are authorized to be released directly to another, as implementing agency, **shall no longer require the issuance of SARO/s for memo entries** to cover the release of said appropriations.

- **Annex C** - Summary of Automatic Appropriations by Agency - Full Year Allocation, Release through GARO for RLIP
- **Annex D** - Summary of Automatic Appropriations by Agency - Release through SARO upon submission of a Special Budget Request

4.2 Disbursement Authorization Documents

4.2.1 **Notice of Cash Allocation (NCAs)**

4.2.1.1 An **initial comprehensive NCA** has been issued directly to the OUs covering one quarter (January to March) operating cash requirements including RLIP, but excluding provision for prior years' obligations (due and demandable accounts payable and not yet due and demandable obligations).

4.2.1.2 **Succeeding NCAs** shall be issued to cover the requirements for the second quarter, i.e., April 2021 to June 2021, consistent with the DBM-evaluated MDP. This subsequent NCA release shall be subject to the submission of Monthly Report of Disbursement (FAR no. 4) as of end of February 28, 2021.

4.2.1.3 **Additional NCAs** shall be issued for the following:

- Second semester requirements, i.e., July to December, 2021, subject to submission of MRD (FAR No. 4) as of end May 2021;
- Items classified under FLR (including but not limited to releases from SPFs, CMIs without details, other automatically appropriated items, and availment of Working fund), as may be required, subject to

determination by the DBM of NCA balances under the agencies' MDS Sub-Accounts;

- 4.2.1.4 All agencies are advised to use the **Advice to Debit Account (ADA)** to settle payables pursuant to the updated guidelines provided under DBM CL 2018-14⁷.

In cases where the use of ADA is impracticable, agencies are reminded that the validity of MDS checks has been shortened from six (6) months to three (3) months from date of issue, pursuant to Treasury Circular No. 03-2017 dated October 20, 2017⁸.

4.2.2 **Crediting and Validity Periods for NCAs**

- 4.2.2.1 NCAs shall be issued to the three (3) Modified Disbursement System - Government Servicing Banks (MDS-GSBs), namely, Land Bank of the Philippines (LBP), Development Bank of the Philippines (DBP) and Philippine Veterans Bank (PVB).

- 4.2.2.2 MDS sub-accounts (i.e., regular MDS sub-account for regular operating requirements, Retirement Gratuity and Terminal Leave [RG/TL] benefits, and Accounts Payable); MDS sub-account for Foreign-Assisted Projects [FAPs]; and another MDS sub-account for Trust Receipts) shall be maintained at the three MDS-GSBs, with the following periods of validity for NCAs issued and credited to:

- The **Regular MDS Sub-Accounts** of agencies/OUs for their regular operations, retirement gratuity/terminal leave benefits and accounts payable (A/Ps) shall be valid until the last working day of the 3rd month of the quarter covered, pursuant to DBM CL No. 2019-3⁹.
 - For the comprehensively released NCAs, covering the quarterly cash requirements, the specific monthly allocation shall be credited on the first working day of each month.
 - For other/additional NCAs, the amount indicated shall be credited on the date of issuance of such NCA, and on the first working day of the succeeding months (if any).



⁷ DBM CL No. 2019-3 dated January 4, 2019 (Updated Guidelines In The Implementation Of The Modified Direct Scheme (Mdps) Due Creditors/Payees Of All National Government Agencies)

⁸ Treasury Circular No. 03-2017 dated October 20, 2017 (Reduction In the Expiry Period of MDS Check from Six (6) Months to Three (3) Months from Date of Issue)

⁹ DBM CL No. 2019-3 dated January 4, 2019 (Guidelines Covering the Crediting and Validity of NCA for Regular MDS Sub-Accounts Effective First Quarter of FY 2019 and Onwards)

Under the Common Fund System, to optimize the use of the available NCAs under the Regular MDS Sub-Account, NCAs released to agencies under this account can be used to cover payment of both current year and prior years' A/Ps of all creditors (external and internal). It is understood that payment of mandatories, i.e., PS, MOOE, and CO requirements, shall take precedence over A/Ps in the utilization of the NCAs received. Only when the mandatory requirements are satisfied, can the payment of A/Ps be charged against the available NCAs.

- NCAs to be issued for crediting to **MDS Sub-Accounts for FAPs** maintained by agencies specifically for loans and grants shall be valid from issue date until the last working day of the year, or December 31, 2021, per NBC No. 581 dated December 27, 2020.
- NCAs for crediting to the **Trust MDS Sub-Accounts** on the issue date of the NCA, shall be valid until the last working day of the year, or December 31, 2021.

4.2.3 Other Disbursement Authorities issued during the year which shall be valid from date of issuance until the last working day of the year, or December 31, 2021.

4.2.3.1 The **Non-Cash Availment Authority (NCAA)** for the cash equivalent of grant/loan proceeds availed of through direct payment/supplier's credit/constructive cash, shall be issued by DBM subject to agency compliance with the conditions specified under DBM-COA-DOF JC 2-97¹⁰ and CL No. 2003-12¹¹. Agencies shall ensure that requests for the issuance of NCAA submitted to DBM are supported by the following documentary requirements:

- Photocopy of the Application for Withdrawal or equivalent document covering the amount requested;
- Certified list of allotments and corresponding obligations incurred for the specific foreign loan/grant assisted project against which the disbursements shall be applied; and



¹⁰ DBM-COA-DOF JC No. 2-97 dated March 21, 1997 (Revised and Updated Budgeting and Accounting Guidelines and Procedures Applicable to FAPs Implemented by NGAs and GOCCs)
¹¹ DBM CL No. 2003-12 dated December 4, 2003 (Guidelines on the Availment of Foreign Loan Proceeds In-Kind Superseding Circular Letter No. 2003-9)

- Details of disbursements expressed both in peso and equivalent foreign currency as indicated in the application.

To avoid unnecessary build-up in A/Ps, and to ensure consistency in the recording of loan/grant availments by both the Bureau of the Treasury (BTr) and the books of the availing agency and the DBM, implementing agencies shall regularly coordinate with the BTr on the actual availments to be reflected in the BTr's monthly Cash Operations Report and with the DBM for the issuance of the corresponding NCAA for liquidation purposes.

4.2.3.2 **The Cash Disbursement Ceiling (CDC)** issued by DBM to the Department of the Foreign Affairs (DFA) and Department of Labor and Employment (DOLE) to authorize utilization of their income collected/retained by the Foreign Service Posts (FSPs) to cover their operating requirements, **but not to exceed the released allotment to the said post.** The agency shall submit a request for issuance of CDC, supported with the following:

- Accountability reports as consolidated by the DFA or DOLE Home Office i.e., FSP Monthly Report of Income;
- BTr certification on actual income collected; and
- **Certified list of allotments and corresponding obligations incurred** for the specific funds against which the disbursements shall be applied

FSPs shall request for the issuance of CDCs for the utilization of retained income from DBM, as support to their reported retained income, to ensure consistency in the books of the agency and DBM, as well as BTr's monthly Cash Operations Report.

5.0 OTHER PROCEDURAL GUIDELINES

5.1 Modification in the Allotments Issued

5.1.1 The modification of allotments shall be:

- 5.1.1.1 Supported with an accomplished **Modification Advice Form (MAF) (Attachment 2)** duly signed by the approving authority or his designated representative cited in item 5.1.3 hereof.
- 5.1.1.2 Reflected in the appropriate Registry of Allotments and Obligations.

- 5.1.1.3 Reported in the accountability reports to be submitted to DBM, i.e., SAAODB as adjustments to allotments. Also the corresponding adjustments in targets and accomplishments as a result of modification shall be reflected in the Physical Report of Operation.
- 5.1.2 Agency requests to be submitted to DBM shall be supported with the following documents:
- 5.1.2.1 Justification for the proposed modification
- 5.1.2.2 Certification of actual Deficiency and Sources of Funds signed by the Budget Officer, identifying the affected P/A/Ps and objects of Expenditure ("From" and "To") - (Attachment 3)
- 5.1.2.3 Latest SAAODB
- 5.1.2.4 Financial Plan (Bed No. 1) and Physical Plan (BED no. 2), as revised
- 5.1.3 The specific approving authority for the modification(s) shall be as follows:
- 5.1.3.1 The **Heads of Agencies** for:
- Change in the details of an activity or project without changing its nature and within the same operating unit;
 - Change in the object of expenditure (Salaries and Wages, Travelling Expenses, or Investment Outlays, etc.) within an allotment class (MOOE or CO); and
 - **Use of MOOE for the payment of CNA incentive**, during the validity of appropriations (**Section 73 (d)**, GPs of the FY 2021 GAA), as an exemption to the Modification of Allotment where the DBM is the approving authority in case of change in allotment class.
- 5.1.3.2 **DBM:**
- From one allotment class to another;
 - From one operating unit to another;
 - Within a special purpose fund;



- For the payment of newly-authorized Magna Carta Benefits not otherwise appropriated; and
- Within the purpose authorized under the Unprogrammed Appropriations.

5.1.3.3 **The President of the Philippines** for the payment of intelligence funds within the Executive Branch.

5.2 Use of Savings for Augmentation of Deficient P/A/Ps

The use of savings to augment deficient P/A/Ps shall be subject to approval by the authorized constitutional officers cited in **Section 68**, GPs of the FY 2021 GAA, as follows

- 5.2.1 The President of the Philippines for the Departments/Agencies under the Executive Branch;
- 5.2.2 The President of the Senate and the Speaker of the House, for the Congress of the Philippines;
- 5.2.3 The Chief Justice of the Supreme Court, for the Judiciary; and
- 5.2.4 Heads of the Civil Service Commission (CSC), Commission on Audit (COA), and Commission on Elections (COMELEC).

5.3 Use of PS Appropriations

5.3.1 Consistent with **Section 47**, GPs of the FY 2021 GAA, the appropriations for PS shall be used for the payment of Authorized Personnel Benefits to be given to National Government employees, to wit:

- 5.3.1.1 Basic Salaries, including Step Increments;
- 5.3.1.2 Standard Allowances and Benefits, which shall be limited to the following:
 - Personnel Economic Relief Allowance;
 - Uniform or Clothing Allowance; and
 - Mid-year Bonus, Year-End Bonus and Cash Gift
- 5.3.1.3 Specific-Purpose Allowances and Benefits, limited to the following:
 - Representation and Transportation Allowances;
 - Per Diem;
 - Honoraria;
 - Night-Shift Differential;
 - Overtime Pay;
 - Subsistence Allowance;
 - Hazard Pay;



- Special Counsel Allowance Overseas and Other Allowances for Government Personnel Stationed Abroad; and
 - Other allowances and benefits as may be authorized by law or the President of the Philippines.
- 5.3.1.4 Incentives, which refer to the following:
- Loyalty Incentive
 - Anniversary Bonus
 - Productivity Enhancement Incentive
 - Performance-Based Bonus
 - Other existing benefits as may be categorized by DBM as incentives.
- 5.3.1.5 Magna Carta Benefits as authorized by law and its Implementing Rules and Regulations;
- 5.3.1.6 Personnel benefits for military and uniformed personnel as authorized by law or the President of the Philippines; and
- 5.3.1.7 Overseas and other allowances for government personnel stationed abroad.
- 5.3.2 Available PS allotments released to the department or agency at the start of the year shall be used for the (i) original purpose of appropriations; and (ii) to cover PS deficiencies in Authorized Personnel Benefits such as:
- 5.3.2.1 Deficiency in Magna Carta Benefits, subject to approval by the DBM Secretary for: (i) additional recipients arising from newly issued certifications or hiring of new employees; (ii) valid adjustments due to inadvertent omission or erroneous encoding in the System;
- 5.3.2.2 Award of Back Pay for cases with final and executory decision of a competent authority such as courts, CSC, and COA;
- 5.3.2.3 Deficiency in specific-purpose allowances and benefits, such as Overtime Pay, Honoraria, and Representation and Transportation Allowance, among others, subject to existing conditions in the grant of such benefits;
- 5.3.2.4 Any deficiency in authorized compensation and personnel benefits of civilian employees and Military/Uniformed Personnel that may be determined during the year. Since PS benefits are mandatory in nature, **actual services rendered or benefits allowed in prior years shall not be categorized as unbooked obligations;**

- Deficiency in the provision for upgrading faculty positions up to the 7th cycle pursuant to NBC No. 461 dated June 1, 1998¹².
- 5.3.3 The available PS allotments referred under item 5.3.2 may be realized from unspent compensation of employees due to the following:
 - 5.3.3.1 Incurrence of leaves of absence without pay;
 - 5.3.3.2 Vacant positions on account of termination, resignation, transfer, retirement or separation;
 - 5.3.3.3 Delay in the actual assumption of duty from the date of appointment;
 - 5.3.3.4 Suspension and other disciplinary sanctions;
 - 5.3.3.5 Erroneous computations of PS benefits; or
 - 5.3.3.6 Other similar instances.
- 5.3.4 The following limitations in the use of available released PS allotments/appropriations shall be observed:
 - 5.3.4.1 Released allotments which cannot be reallocated to other object of expenditures under PS:
 - Retirement and Life Insurance Premium (RLIP); and
 - Special Account in the General Funds (SAGFs), except if expressly authorized in the law creating them.
 - 5.3.4.2 Available released allotments for PS cannot be used to pay CNA Incentives.
- 5.3.5 In instances where an insufficiency in PS occurs and frontloading shall be resorted to, available PS allotments which have been comprehensively released may be utilized subject to approval of Agency Head, based on the following:
 - 5.3.5.1 **Advice for Use of PS Allotment (APSA)** (Attachment 1) duly accomplished and signed by the Agency Head or his designated representative. In the case of SUCs, the approving authority shall be the President of SUC as Agency Head, unless approval of the Board is necessary as required in the respective charter of SUCs; and

¹² DBM NBC No. 461 dated June 1, 1998 (Revising and Updating the Compensation and Position Classification Plan for Faculty Positions Embodied in National Compensation Circular No. 69)

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5.3.5.2 **Registry of Allotments and Obligations for PS (RAOPS)** reflecting said adjustments and reported in the accountability reports to be submitted to DBM, i.e., SAAODB.

- 6.0 Agency-specific funds may be used for the purchase of motor vehicles for FY 2021 as reflected in the FY 2021 GAA, for such vehicles which have already been evaluated and included in the Confirmation Letter issued by the DBM to agencies during the preparation of the FY 2021 budget. The said confirmation letter shall serve as the **Authority to Purchase Motor Vehicle (APMV)** issued by the DBM, only if the number of vehicles are as approved in the letter, and such vehicles conform with the terms and conditions laid out under Administrative Order No. 14¹³ as implemented by Budget Circular 2019-2¹⁴.
- 7.0 For purposes of agencies' entering into multi-year contracts, the issuance of a Multi-Year Contractual Authority (MYCA) or an equivalent authority may be required or prescribed by the DBM. A MYCA is an authority issued by the DBM to agencies, covering the full contract cost, for the procurement of multi-year projects (MYPs). This shall be used as the basis in the certification of availability of funds (CAF) required prior to contract execution.
- 7.1 MYCAs may be required for single-year projects which do not cover a calendar year but, by design, necessitates implementation covering two fiscal years.
- 7.2 In the case of recurring projects, such as, but not limited to, janitorial and security services, supply of drinking water, telecommunications requirements, rental of office and equipment, and lease-purchase agreements, the following options are available for government agencies (**Section 30**, GPs of FY 2021 GAA):
- 7.2.1 Secure a MYCA or an equivalent authority; or
- 7.2.2 Renew the ongoing contract to not more than one year, subject to a favorable assessment or evaluation of contractor's performance, but in no case shall the total contract renewal exceed two years.
- 7.3 For MYPs, the Certification of Availability of Funds shall be issued annually based on the budget for the year.
- 7.4 For MYPs with no funding requirement on any given year, instead of the CAF, the Chief Accountant shall issue a certification that no fund is needed for the year, as indicated in the approved MYCA.
- 7.5 For foreign-assisted projects funded by foreign loans, the issuance of a MYCA is not necessary (**Section 30**, GPs of FY 2021 GAA).
- 7.6 For multi-year PPP projects with government undertakings, the Letter of Commitment (LOC) shall be issued (**Section 30**, GPs of FY 2021 GAA).

¹³ Office of the President AO No. 14 dated December 10, 2018 (Consolidating and Rationalizing the Rules on the Acquisition of Government Vehicles Adopting a Centralized System of Procurement There for. and for Other Purposes)

¹⁴ DBM BC 2019-2 (Guidelines Implementing Certain Provisions of AO No. 14, S. 2018)

8.0 SEPARABILITY CLAUSE


If any part or provision of this Circular is held invalid or unconstitutional, other provisions not affected thereby shall remain in force and effect.

9.0 REPEALING CLAUSE

All provisions of existing circulars and other issuances inconsistent with this Circular are hereby rescinded/repealed and/or modified accordingly.

10.0 EFFECTIVITY

This Circular shall take effect immediately.


WENDEL E. AVISADO
Secretary

