

Republika ng Pilipinas Hann Insung Hangasihuaan ng Ha Ibig (NATIONAL IRRIGATION ADMINISTRATION)

Lungsod ng Quezon

OFFICE ADDRESS:

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OUR REFERENCE:

MC No 44 2001

MEMORANDUM CIRCULAR

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: ALL REGIONAL/OPERATIONS/PROJECT MANAGERS, PROVINCIAL IRRIGATION OFFICERS, IRRIGATION SUPERINTENDANTS AND ALL OTHERS CONCERNED

SUBJECT : GOVERNMENT SUBSIDY FOR THE PAYMENT OF TERMINAL LEAVE AND RETIREMENT GRATUITY

Quoted hereunder are the conditions under which the Department of Budget and Management has released our request for subsidy for the payment of terminal leave and retirement gratuity benefits of former NIA employees, initially amounting to Forty Three Million Five Hundred Ninety One Thousand Eight Hundred Seventy One Pesos only (P43,591,871). These conditions are contained in DBM Letter dated June 4, 2001.

- "1. The streamlining program submitted to DBM on 02 May 2001 for evaluation shall be implemented as soon as the same is approved by the Office of the President;
- 2. The plantilla positions vacated as a result of retirement/separation shall be automatically abolished except key positions which will be compensated by the abolition of lower level position;
- 3. The 'no hiring of new employees policy" shall be implemented by NIA in CY 2001 pursuant to AO No. 5 and other related issuances for CY 2002;
- 4. NIA shall endeavor to improve its collection efficiency from 60% as posted in previous years to 80% for CY 2001 and years thereafter; and
- 5. NIA shall identify other possible sources of revenues to become financially viable."

Recently, we again brought before the Secretary of Budget and Management a request for more subsidies for terminal leave and retirement gratuities for NIA employees who are availing of retirement privileges under existing law. Secretary Boncodin expressed willingness to help as long as we abide by the conditions set forth above.

In this connection, I enjoin you, especially the Heads of Revenue/Profit Centers, to help us comply with these conditions by adopting doable, politically acceptable and realistically attainable measures in order to increase collection efficiency and attain or maintain financial viability of your centers.

For your guidance.

18 July, 2001

JESUS EMMANUEL M. PARAS Administrator





PUPUBLIC OF THE PHILIPPINES

Department of Budget and Managemerediministrator's vilce

Malacañang, Manila

Ref. No. 2001-A03765R

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MR. ORLANDO C. HONDRADE Officer-in-Charge National Irrigation Administration Epifanio delos Santos Avenue Quezon City

CONTRACTOR

Sir:

Please be advised that NCA No. 114993-4 of even date in the amount of **FORTY THREE MILLION FIVE HUNDRED NINETY ONE THOUSAND EIGHT HUNDRED SEVENTY ONE PESOS ONLY (P43,591,871)** was issued to the Bureau of the Treasury to cover payment of terminal leave and retirement gratuity benefits of former NIA employees affected by the streamlining program.

The same is chargeable against the FY 2001 Miscellaneous Personnel Benefits Fund (R.A. No. 8760, as re-enacted) released under SARO No. D-01-01428.

Accordingly, said NCA will be transmitted to the Land Bank of the Philippines – Intramuros, Manila Branch for credit to the BTR's MDS Sub-Account which in turn, will transfer the cash, net of payment of BTr advances to NIA.

The above release of P43,591,871 from MPBF shall be subject to the following conditions:

- 1. The streamlining program submitted to DBM on 02 May 2001 for evaluation shall be implemented as soon as the same is approved by the Office of the President;
- 2. The plantilla positions vacated as a result of retirement/separation shall be automatically abolished except key positions which will be compensated by the abolition of lower level positions;
- 3. The "no hiring of new employees policy" shall be implemented by NIA in CY 2001 pursuant to AO No. 5 and other related issuances for CY 2002;
- 4. NIA shall endeavor to improve its collection efficiency from 60% as posted in previous years to 80% for CY 2001 and years thereafter; and
- 5. NIA shall identify other possible sources of revenues to become financially viable.

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It Is understood that actual utilization/disbursement out of the cash allocation issued shall be subject to existing budgeting, accounting and auditing rules and regulations.

Very truly yours,

W EMILIA T. BONCODIN

Secretary of Budget and Management

Department of Budget and Management 2001 - S12966L