



Republika ng Pilipinas
Hambansang Pangasiwaan ng Patubig
(NATIONAL IRRIGATION ADMINISTRATION)
Lungsod ng Quezon

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OUR REFERENCE:

MC NO. 06, Series of 2002

MEMORANDUM CIRCULAR

TO : THE ASSISTANT ADMINISTRATORS, DEPARTMENT/REGIONAL IRRIGATION/PROJECT/OPERATIONS MANAGERS, STAFFS, PROVINCIAL IRRIGATION ENGINEERS, IRRIGATION SUPERINTENDENTS, COA PERSONNEL, AND ALL OTHERS CONCERNED.

SUBJECT: DBM CIRCULAR LETTER NO. 2002-1 DATED JANUARY 2, 2002

Quoted hereunder in full for the information and guidance of all concerned is the Department of Budget and Management Circular Letter No. 2002-1 dated January 2, 2002 to wit:

**"REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
Malacañang, Manila**

CIRCULAR LETTER

**No. 2002-1
January 2, 2002**

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

SUBJECT: Release of Funds for January and February, 2002

- 1.0 For the months of January and February, 2002, all agencies are hereby authorized to obligate the amount corresponding to their actual requirements but not to exceed two twelfths (2/12) of their budget which is defined, as follows;
 - 1.1 Personal Services shall be pegged at the level provided under the FY 2002 National Expenditure Program (NEP), net of the requirements for Productivity Incentive Benefits, Clothing and Uniform Allowance, Terminal Leave Benefits, Year End Benefits, and lump-sum for creation of new positions; and;
 - 1.2 Maintenance and Other Operating Expenditures, net of retirement gratuity benefits, as well as Capital Outlay levels shall correspond to regular programs and on-going foreign assisted/locally funded projects appearing in the FY 2001 budget (R.A. 8760, as reenacted); provided that, these on-going programs/projects are also included in the FY 2002 NEP.
- 2.0 Authority is likewise issued to obligate the amount corresponding to the actual requirements but not to exceed two twelfths (2/12) of the following Automatic Appropriation items:
 - 2.1 Retirement and Life Insurance Premiums equivalent to 12% (or the applicable rate otherwise provided under special laws) of the salaries component under item 1.1 of this Circular;
 - 2.2 Special Account in the General Fund (SAGF) programmed in the FY 2002 NEP which shall further be limited to the uncommitted cash collection in the Bureau of Treasury.

- 3.0 The amount to be obligated for Terminal Leave Benefits (TLB) should correspond to the actual requirements of compulsory retirees whose retirement dates shall fall due in January and February, 2002 provided that said requirements shall not exceed the TLB level of the agency under the FY 2002 NEP.
- 4.0 Obligations incurred pursuant to this Circular Letter shall be treated as overdraft in appropriations and shall be adjusted once the allotment for the purpose is approved. The rules and regulations pertinent to the appropriate accounting entries are prescribed under COA Circular 96-002 dated February 27, 1996.
- 5.0 The NCA for regular operations of all agencies (corresponding to items 1.0 and 2.0 of this Circular) shall be credited to their regular MDS sub-accounts starting January 2, 2002.
- 6.0 The NCA to cover the actual TLB requirements of agencies (under item 3.0) shall be over and above the NCAs issued for regular operations. These NCAs, which shall be credited to their Special MDS sub-account, shall be issued subject to the submission of a Special Budget Request for the purpose supported by the following documents required under Circular Letter No. 99-4;
- 6.1 List of actual retirees with their respective position title, date of birth and date of original appointment, the amount to be paid for each, the effective date of retirement, and the respective current or savings account number opened/maintained with the same GSB as that of the agency.
 - 6.2 GSIS approval for those retiring under R.A. No. 660 or approval of the Department/Agency Head for those availing of retirement benefits under RA 1616. In the case of uniformed personnel under the Department of Interior and Local Government, approval by the Agency Head is required while for military personnel, approval should be by the Office of the President.
 - 6.3 Statement of leave credits earned by the retiree for TLB claims certified by the agency Personnel Officer.
- 7.0 These guidelines shall take effect immediately.

(Sgd.) EMILIA T. BONCODIN
Secretary

Be guided accordingly.


JESUS EMMANUEL M. PARAS
Administrator

18 January, 2002