



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

OFFICE ADDRESS: NATIONAL GOVERNMENT CENTER
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OUR REFERENCE:

MC No. 20, s. 2003

MEMORANDUM CIRCULAR

TO : THE DEPUTY ADMINISTRATOR, ASSISTANT ADMINISTRATORS,
DEPARTMENT / REGIONAL / OPERATION / PROJECT
MANAGERS, PROVINCIAL IRRIGATION OFFICERS, IRRIGATION
SUPERINTENDENTS AND OTHERS CONCERNED

SUBJECT: SUPPLEMENTING MEMORANDUM CIRCULARS NOS. 35 AND
62, S. 2002 ON THE PAYMENT OF COST OF LIVING
ALLOWANCE (COLA) AND AMELIORATION ALLOWANCE (AA)

1. PURPOSE

This Circular is issued to supplement the provisions under Memorandum Circulars Nos. 35 and 62, s. 2002, and thereby clarify matters not covered therein.

2. SCOPE

The coverage of the grant of COLA/AA as defined under Section 2 of both the above-quoted Circulars are hereby grouped as follows for easier identification and distinction, viz:

- 2.1 Group A – NIA officials and employees hired on any period running from June 30, 1989 or thereafter but not beyond March 16, 1999 and were then receiving the COLA and AA and continued to be in the service as of December 07, 2001 or thereafter.

It is understood that officials and employees who were separated from the service after December 07, 2001 due to resignation/retirement or death/termination of services are included in Group A.

- 2.2 Group B – NIA officials and employees hired on any period running from June 30, 1989 or thereafter but not beyond March 16, 1999 and were then receiving the COLA and AA, but got separated from the service, either by resignation/retirement or death/termination of services effective December 07, 2001 or earlier.

It is understood that officials and employees who were no longer in the service on December 07, 2001 or earlier are included in Group B.

3. SUPPLEMENTAL GUIDELINES

The following guidelines are hereby added to the said Circulars:

- 3.0 As used herein, Actual Net Income refers to total income less total expenses including Terminal Leave, Retirement Gratuity and Viability Incentive Grant.

3.1 Actual Net Income for CY 2003 vs. Commitment for CY 2003

- 3.1.2 Should the actual net income be equal to or lower than commitment as shown in Annex "A" hereof, same shall be used and allocated as follows:

3.1.2.1 Viable Regional/Field Offices – out of the total net income, 10% shall be retained at their respective offices as buffer funds and the bigger remaining portion of 90% shall be allocated as follows: 1) 80% for payment of COLA/AA of their respective qualified employees/claimants at the ratio of 70% for Group A and 30% for Group B; 2) balance of 20% for remittance to Central Office as buffer funds to support the operations of non-viable Regions. (Pls refer to Illustrative Example attached as Annex "B" hereof).

3.1.2.2 The buffer fund created out of the 20% of 90% of total net income realized by viable regional/field offices shall be used to support the operations of non-viable regional/field offices as well as Central Office. The balance thereof, if any, shall be used for payment of COLA/AA of employees/claimants of the latter Offices observing the 70:30 ratio for Group A and Group B, respectively.

The cap given to non-viable regional/field offices as well as Central Office in the net income sharing scheme pegged at not more than the lowest percentage share distribution adopted by any of the viable regional/field offices shall be strictly adhered to.

- 3.2 The actual net income for CY 2003 in excess of or over and above the commitment, if any, may be used for additional COLA/AA payment by concerned offices.
- 3.3 Employees retiring at age 65 for CY 2003 and opt to retire under R.A. 8291 six (6) months or more prior to date of actual retirement may be paid the remaining balance of his COLA/AA. The savings on salaries to be generated for non-filling of the position to be vacated up to the date of the compulsory retirement shall be used to pay his COLA/AA. The balance still remaining, if any, shall be paid in accordance with Paragraphs 3.1 and 3.2 hereof.
- 3.4 In special cases where the retiree-claimant himself/herself is in dire financial need such as, but not limited to, confinement in a hospital for major operation or due to serious disease, the remaining balance of his/her COLA/AA may be granted but subject to the availability of funds mentioned in paragraphs 3.1 & 3.2 hereof.

4. SAVING CLAUSE

Cases not covered by this Circular shall be referred to the Assistant Administrator for Finance & Management, and Administrative Services.

This Circular amends/supersedes/ repeals in part or in whole provisions of previous Circulars inconsistent herewith.

For strict compliance.


JESUS EMMANUEL M. PARAS
Administrator

May 16, 2003

PROPOSED CY 2003 REVENUE GENERATION AND EXPENDITURES
(IN THOUSAND PESOS)

REGION	CURRENT INCOME					OTHER INCOME					GRANDTOTAL	EXPENSES						NET INCOME/DEFICIT		
	ISF (CA)	EQUIPMENT RENTAL	CIS/CIP PUMP AMORTIZATION	CIS/CIP EQUITY	TOTAL	ISF BACK ACCOUNT	CS AMORTIZATION (BA)	POWER	OTHER	TOTAL		PS	TL	MOOE	RG	VIG	TOTAL	CURRENT INCOME W/O TL/RG/VIG	TOTAL INCOME W/O TL/RG/VIG	TOTAL INCOME
CAR	16,157.42	1,792.00	778.55	13,383.95	32,111.93	1,500.00	179.48	0.00	3,620.00	5,299.48	37,411.41	24,956.66	1,439.65	5,398.20	1,078.68	559.69	33,432.87	1,757.07	7,956.55	3,978.54
I	41,033.68	7,150.00	2,400.00	12,300.00	62,883.68	5,550.00	900.00	0.00	900.00	7,350.00	70,233.68	52,915.51	2,947.05	7,944.37	409.10	269.20	64,485.22	2,923.80	9,373.80	5,748.46
II	93,630.00	20,000.00	3,923.00	9,569.00	127,122.00	16,000.00	797.00	0.00	3,142.00	19,939.00	147,061.00	64,068.25	4,191.49	59,014.07	5,071.47	1,605.00	133,950.26	4,039.68	23,978.68	13,110.72
MRHS	124,788.91	6,800.00	0.00	0.00	131,588.91	32,000.00	0.00	0.00	5,823.40	37,823.40	169,412.31	97,844.82	3,643.91	29,398.41	1,542.22	2,204.75	134,632.34	4,345.68	42,169.08	34,779.97
III	65,651.33	20,336.55	1,339.30	10,512.88	97,840.06	18,047.58	515.36	0.00	9,857.90	28,420.83	126,260.25	87,985.65	7,593.57	25,358.20	2,704.77	1,650.87	125,295.07	(15,536.79)	12,914.04	964.82
UPRHS	127,246.50	11,500.00	0.00	1,211.00	139,957.50	30,000.00	0.00	0.00	7,418.49	37,418.49	177,375.99	94,584.82	5,084.40	42,863.46	2,422.33	0.00	144,955.00	2,509.22	39,927.72	32,420.99
IV	55,515.89	14,115.00	3,915.95	15,578.48	89,125.32	9,120.60	550.00	0.00	11,165.00	20,835.60	109,960.92	87,520.75	5,580.11	7,948.32	6,725.14	0.00	107,774.22	(6,343.74)	14,491.86	2,186.60
V	25,840.89	4,000.78	3,996.35	7,928.53	41,766.55	12,920.00	2,022.07	0.00	5,374.69	20,316.76	62,083.32	49,194.97	1,991.89	8,932.50	1,103.05	0.00	51,228.41	(16,366.52)	3,949.25	854.91
VI	62,946.36	13,840.80	4,256.31	9,416.85	90,460.33	14,397.96	0.00	0.00	585.00	14,882.96	105,443.29	75,185.16	4,912.70	13,726.75	881.85	0.00	94,706.47	1,548.41	16,531.37	10,736.32
VII&VIII	30,435.00	17,262.00	2,800.00	17,800.00	68,297.00	8,530.00	2,065.00	0.00	6,911.00	17,476.00	85,773.00	53,583.94	2,515.43	13,549.00	1,081.37	3,406.03	74,135.73	1,164.06	19,640.05	11,637.27
IX	20,849.70	8,512.35	1,777.85	7,029.60	38,169.51	4,000.00	360.00	0.00	2,444.09	6,804.09	44,973.60	30,687.10	1,553.74	5,269.48	873.32	585.00	38,968.64	2,212.93	9,017.02	6,004.95
X	35,407.31	15,826.22	3,435.02	13,625.69	68,295.24	6,000.00	0.00	0.00	2,440.00	8,440.00	77,735.24	51,206.13	1,083.49	14,332.67	1,485.51	1,291.58	69,399.47	3,756.44	12,196.44	8,325.76
XI	53,288.69	24,016.85	4,561.57	4,974.42	86,841.53	12,343.77	1,400.00	0.00	7,078.93	26,822.70	113,664.23	65,871.83	1,065.20	19,936.20	2,536.32	5,032.54	94,448.14	1,033.85	27,856.55	19,216.49
XII	94,961.37	19,894.97	6,411.64	14,110.67	135,378.64	23,057.38	961.59	0.00	474.50	24,493.47	159,872.11	88,006.45	3,478.68	43,606.97	2,754.75	0.00	144,046.25	3,765.41	28,258.89	15,825.46
XIII	25,836.30	12,817.66	2,400.67	8,627.94	49,682.57	4,210.00	786.67	0.00	2,991.00	7,987.67	57,670.24	34,102.31	307.03	9,976.89	720.47	966.28	45,072.98	5,503.37	13,591.04	11,597.26
TOTAL	874,589.35	197,865.17	41,996.82	146,070.02	1,260,521.36	203,647.29	10,637.17	0.00	70,226.00	284,410.46	1,544,931.83	957,717.40	47,387.42	307,261.49	31,390.36	23,777.04	1,367,533.71	(4,457.53)	279,952.94	177,399.12

CO									270,000.00	270,000.00	270,000.00	157,704.76	17,240.74	60,064.60	36,000.00		270,000.00	(217,759.26)	52,240.74	0.00
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GRANDTOTAL	874,589.35	197,865.17	41,996.82	146,070.02	1,260,521.36	203,647.29	10,637.17	0.00	340,226.00	564,410.46	1,814,931.83	1,115,422.18	64,628.16	367,316.99	66,396.36	23,777.04	1,537,633.71	(222,216.79)	332,193.68	177,399.12
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CONCURRED:

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Administrator

Support Deficit Non-
Viable Region

Annex A

ILLUSTRATIVE EXAMPLE
(Per Section 3.1.2.1 of this Circular)

Sample Regional/Field Office with a Net Income of P1,000,000.00 for CY 2003

