

Republika ng Pilipinas
(Republic of the Philippines)
KAGAWARAN NG EDUKASYON, KULTURA AT ISPORTS
(DEPARTMENT OF EDUCATION, CULTURE AND SPORTS)
Maynila

August 23, 1990

DECS O R D E R
No. 94, s. 1990

COMPLIANCE TO MEMORANDUM CIRCULAR NO. 118 DATED JULY 5, 1990
FROM THE OFFICE OF THE PRESIDENT

To: Bureau Directors/Cultural Agency Directors
Directors of Services/Centers and Heads of Units
Regional Directors
Presidents, State Colleges and Universities
Vocational School Superintendents/Administrators

1. Inclosed, for the information and guidance of all concerned, is a copy of Memorandum Circular No. 118 from the Office of the President dated July 5, 1990 entitled "Enjoining Strict Compliance by All Departments, Bureaus, Offices, and Agencies Including State Universities and Colleges, and Government-Owned or Controlled Corporations, to National Budget Execution Guidelines No. 89-1, s. 1989 and National Budget Memorandum No. 54, s. 1990 of the Department of Budget and Management".
2. Immediate dissemination of this Order is desired.

(SGD.) ISIDRO D. CARINO
Secretary

Incls.:
As stated

Reference:
None

Allotment: 1-3--(M.O. 1-87)

To be indicated in the Perpetual Index
under the following subjects:

BUREAUS & OFFICES
EMPLOYEES
FUNDS
LEGISLATION
OFFICIALS

(Inclosure to DECS Order No. 94, s. 1990)

Office of the President
of the Philippines
Malacañang

MEMORANDUM CIRCULAR NO. 118

ENJOINING STRICT COMPLIANCE BY ALL DEPARTMENTS, BUREAUS, OFFICES,
AND AGENCIES INCLUDING STATE UNIVERSITIES AND COLLEGES,
AND GOVERNMENT-OWNED OR CONTROLLED CORPORATIONS, TO NATIONAL
BUDGET EXECUTION GUIDELINES NO. 89-1, S. 1989 AND NATIONAL
BUDGET MEMORANDUM NO. 54, S. 1990 OF THE DEPARTMENT OF
BUDGET AND MANAGEMENT

All departments, bureaus, offices, and agencies including
state universities and colleges, and government-owned or
controlled corporations are hereby enjoined to comply strictly
with:

1. National Budget Execution Guidelines No. 89-1,
s. 1989, subject: Guidelines on the release of
the CY 1989 programmed equipment outlays and
lump-sum appropriations for the hiring of
casuals, contractuels and consultants of regular
agencies as well as government-owned or
controlled corporations; and
2. National Budget Memorandum Order No. 54, s.
1990, subject: Guidelines on the use of agency
savings from allotments released, CY 1990,

of the Department of Budget and Management.

This Memorandum Circular shall take effect immediately.

By authority of the President:

(SGD.) CATALINO MACARAIG, JR.
Executive Secretary

July 5, 1990

A true copy

Republic of the Philippines
DEPARTMENT OF BUDGET AND MANAGEMENT
Malacañang, Manila

Budget Execution Guidelines No. 89-1
January 27, 1989

Subject: Guidelines on the release of the CY 1989 programmed equipment outlays and lump-sum appropriations for the hiring of casuals, contractuels and consultants of regular agencies as well as of government-owned/controlled corporations

1.0 Purpose

These guidelines are being issued to provide a uniform approach in the release of the CY 1989 programmed regular equipment outlays and lump-sum appropriations for the hiring of casuals, contractuels and consultants of regular agencies as well as of government-owned/controlled corporations.

2.0 Guidelines

Release of Equipment Outlays

2.1 All requests received by the Central Records Division for the release of equipment outlays and lump sums for the hiring of casuals, contractuels and consultants emanating from regular government agencies and government-owned/controlled corporations shall be forwarded to the appropriate Budget Bureau.

2.2 Upon receipt of the proposal, the concerned bureau shall determine if the request is chargeable against the programmed regular appropriation for the purpose. If funds are available, it shall prepare the necessary release documents for the purpose.

2.3 In case the list of proposed equipment include items which require special clearance, a provision in the release documents shall be incorporated stating that the purchase shall be subject to the acquisition of the proper clearance from the herein stated agencies.

2.3.1 EDP equipment amounting to more than P2-M and mini-computers regardless of amount - recommendation of the National Computer Center as to the compatibility of the proposed items to the intended use as well as approval of the Office of the President;

2.3.2 Firearms - Philippine Constabulary; and

2.3.3 Communications equipment - National Telecommunications Commission

2.4 Purchase of motorized transport equipment shall be referred to the Office of the President with the appropriate recommendation if favorable action is to be taken. Release of funds will be effected only upon receipt of OP approval.

2.5 Finally, agencies shall be asked to submit to the Organization and Productivity Improvement Bureau a list of their actual purchases within thirty (30) days after the purchase for updating of their inventory file.

Release of Lump-Sum Funds for the Hiring of Casuals, Contractuals and Consultants

2.6 All requests received by the Central Records Division for the hiring of casuals, contractuals and consultants shall be forwarded to the appropriate Budget Bureau.

2.7 Upon receipt of the same, the concerned bureau shall determine if the request is chargeable against the programmed regular appropriations for the purpose. If there are sufficient funds for the purpose, the same shall be referred to CFCR.

2.8 The release documents will be prepared only after CFCB action has been approved.

3.0 Effectivity

These guidelines shall take effect immediately.

(SGD.) GUILLERMO N. CARAGUE
Secretary

Republic of the Philippines
DEPARTMENT OF BUDGET AND MANAGEMENT
Malacañang, Manila

NATIONAL BUDGET MEMORANDUM NO. 54
May 17, 1990

TO : HEADS OF DEPARTMENTS, BUREAUS, OFFICES AND AGENCIES INCLUDING STATE UNIVERSITIES AND COLLEGES OF THE NATIONAL GOVERNMENT AND ALL OTHERS CONCERNED

SUBJECT : GUIDELINES ON THE USE OF AGENCY SAVINGS FROM ALLOTMENTS RELEASED, CY 1990

1.0 PURPOSE

This Circular is being issued to facilitate the use of agency savings from allotments released to augment expenditure items in the General Appropriations Act for CY 1990 for a given department, bureau, office or agency of the national government.

2.0 GENERAL POLICIES

- 2.1 Use of savings shall be governed by Sec. 17, General Provisions, RA 6031 which provides that priority shall be given to salary standardization, bonus, retirement and terminal leave benefits in the order listed.
- 2.2 Augmentation from savings shall be governed by Sec. 18, General Provisions, RA 6031 which defines it as the existence in the General Appropriations Act of an item, project, activity or purpose with an appropriation which upon implementation or subsequent evaluation of needed resources is determined to be deficient. Hence, a non-existent item, project, activity, purpose or object of expenditures cannot be funded by augmentation from savings or by the use of appropriations authorized in the Act.
- 2.3 Use of savings may be authorized on a case-to-case basis, subject to the extent allowed under Special Provisions of specific agencies.

3.0 SPECIFIC GUIDELINES

- 3.1 All departments, bureaus, offices and agencies, including State Universities and Colleges of the national government shall be authorized upon request, to use savings realized from allotments released subject to the following guidelines:

- 3.1.1 Savings from personal services may be used to augment allotments in maintenance and other operating expenses and in capital outlays;
- 3.1.2 Appropriations for salary standardization and for Personal Benefits Fund, and any savings therefrom, shall be used solely for the same purposes they were provided;
- 3.1.3 Savings from maintenance and other operating expenses may be used to augment deficiencies in other items of maintenance and other operating expenses or in capital outlays subject to the limitations under Sec. 13, General Provisions, RA 6831 which provides that the amount released particularly for but not limited to, petroleum, oil and lubricants as well as for water, illumination and power services, telephone and other communication services, rents and retirement gratuity, requirements shall be disbursed solely for such items of expenditures in the approved Work and Financial Plans;
- 3.1.4 Savings from maintenance and other operating expenses shall not be used to augment allotments in personal services except for salary standardization requirements when personal services savings are inadequate;
- 3.1.5 Savings from capital outlays shall not be used to augment allotments in personal services and in maintenance and other operating expenses;
- 3.1.6 No new constructions shall be funded by savings from capital outlays other than the infrastructure program.

3.2 Savings from allotments for specific expenditure items within an allotment class may be used upon request, to augment other items of expenditure of the same allotment class. However, agencies may augment an item of expenditure within maintenance and other operating expenses (MOE) from savings in other items of MOE up to 25% of the approved amount as indicated in the agency Work and Financial Plan, without the approval of the Department of Budget and Management.

3.3 Savings from released allotments sourced from Special Purpose Funds shall revert to the General Fund, except those covered under Local Budget Circular No. 42 dated January 23, 1990, which shall be governed by the provisions of said Circular.

4.0 PROCEDURAL GUIDELINES

4.1 The following procedures shall be strictly observed:

- 4.1.1 The department or agency concerned shall issue a certification of unutilized allotments by fund for the previous quarter duly certified by the Chief Accountant and verified by the Resident Auditor (Annex A) together with a monthly trial balance as of last preceding month.
- 4.1.2 Likewise, the department or agency shall issue a certification of sufficiency of funds to cover fully the requirements for salary standardization, bonus, retirement and terminal leave benefits.
- 4.1.3 The agency shall submit the request for use of savings, specifying the purpose thereof, to the Department of Budget and Management together with the certification of unutilized allotments using the prescribed form (Annex B).

5.0 TIME FRAME FOR RECKONING SAVINGS

- 5.1 In compliance with accounting and auditing regulations and in order to allow the DBM to act on requests within the period set by these regulations, requests for use of savings in the current year for current operating expenditures must be received by the Department of Budget and Management, Central Office not later than November 30 of that same year.

6.0 LIABILITY OF THE HEAD OF THE AGENCY

- 6.1 The head of office/agency shall be held liable for utilization of savings not in accordance with the rules provided herein.

7.0 SAVING CLAUSE

- 7.1 Previous circulars, memoranda or other issuances inconsistent with this budget memorandum are hereby amended accordingly.

8.0 EFFECTIVITY

This Memorandum shall take effect immediately.

(SGD.) GUILLERMO N. CARAGUE
Secretary

A true copy

REQUEST FOR USE OF SAVINGS
CY _____

DEPARTMENT _____
AGENCY _____

Function/ Purpose/ Project	F I O M	To	Amount	Purpose	Amount	Justification