



Republic of the Philippines
Department of Education


Office of the Undersecretary for
Finance and Administration

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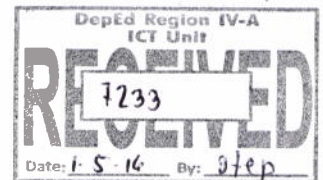
MEMORANDUM
DW-FA-2015-0021 (OUFA)

To : Regional Directors
Schools Division Superintendents

Attention : Chief Administrative Officer, Finance Division
Division Accountant/Budget Officer

From : 
Undersecretary Reynaldo D. Laguda
Finance and Administration

Subject : Submission of Report on 2015 Savings for
Payment of CNA Incentive for FY 2015



The Department of Budget and Management (DBM) has issued Budget Circular No. 2015-2 dated 23 November 2015, Guidelines on the Grant of Collective Negotiation Agreement (CNA) Incentive for FY 2015.

Section 4.1 thereof sets the conditions for the Grant of the CNA Incentive, as enumerated hereunder:

1. Existence of a CNA executed between the representatives of the management and the employees' organization accredited by the Civil Service Commission (CSC);
2. At least an average of 70% of all the targets under the FY 2015 Major Final Outputs (MFOs) by 31 October 2015; and
3. Submission of Budget and Financial Accountability Reports as of 31 October 2015 pursuant to COA-DBM Joint Circular No. 2014-1 dated 02 July 2014.

Furthermore, Section 4.3 of BC No. 2015-2 provides that the fund sources of the CNA Incentive shall be sourced solely from the allowable MOOE allotments in FY 2015, as listed below, provided the same have become available as a result of cost-cutting and systems improvement measures undertaken by the agencies, which are identified in the CNA:

1. Traveling Expenses;
2. Communication Expenses;
3. Repairs and Maintenance;
4. Transportation and Delivery Expenses;
5. Supplies and Materials; and
6. Utility Expenses.

Having complied with condition no. 1 and while the Office of the Planning Service (OPS) is preparing the requirement for condition no. 2, *each and every Regional Office and Division Office* are hereby directed to submit *not later than 12:00 in the afternoon of 06 January 2016*, a report on *savings* they generated out of their respective allocations for MOOE under *General Administration and Support Services* specifically for the objects of expenditures which are allowed as fund sources for the CNA Incentive, mentioned above. Please be reminded, however, that balances of allotment for programs/activities/projects which were later discontinued or deferred shall, in no case, be used as fund source of the CNA Incentive.

The said report shall be supported by the following:

1. Certification duly signed by the Accountant/Budget Officer and Head of Office that the savings in allotment for the said MOOE items of expenditures are still available *as to date* and *will no longer be used*, inasmuch as the said savings in allotment will be subsequently realigned by the DBM to Personnel Services for the CNA Incentive; and
2. Budget and Financial Accountability Reports *as of 31 October 2015*, as follows:
 - a. Statement of Appropriations, Allotments, Obligations, Disbursements and Balances (SAAODB); and
 - b. Statement of Appropriations, Allotments, Obligations, Disbursements and Balances by Object of Expenditure (SAAODBOE).

There shall be no excuses in not submitting the reports inasmuch as everybody had already submitted their flash performance reports as of 31 October 2015. Pursuant to item 2 of DBM Circular Letter No. 2015-0, the flash performance report shall be derived from the Budget and Financial Accountability Reports (BFARs); hence, it is understood that ~~the BFARs~~ as of 31 October 2015 are already available.

The non-submission of the required reports/documents will adversely affect the granting of the CNA Incentive for FY 2015.

For strict compliance.


REYNALDO D. LAGUDA