



FY 2016 GAA

General and Special Provisions

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Legal Service

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Plaza Del Norte Convention Center, Laoag City



Sec. 4. The GAA as Release Document. All appropriations authorized herein shall be considered released upon effectivity of this Act except for the following:

- (a) Appropriations that by virtue of law, general or special provisions, and rules and regulations have conditions or requirements before release;
- (b) Lump-sum appropriations in the agency budget and special purpose funds that have no details necessary for release; and
- (c) Those requiring a Special Budget under the general or special provisions in this Act.

In the case of automatic appropriations, the same shall be released upon compliance with the conditions provided by law.

The DBM shall identify the items of appropriations which are not considered released upon effectivity of this Act and submit a copy thereof to the COA.



GAARD

GAA as a Release Document

It means that the budgets of agencies or "appropriations" - except for those included in the **negative list** - are considered released as allotments when the General Appropriations Act (GAA) takes into effect.

Negative list

- (a) Lump-sum Funds within the agency budget, details of which have not been submitted prior to the effectivity of the GAA;
- (b) Special Purpose Funds, including Budgetary Support to Government Corporations;
- (c) Other items subject to compliance with the conditions / requirements specified under the General and/or Special Provisions and Budget Affirmation/Veto Message in the GAA; and
- (d) All automatically appropriated' items, including Special Accounts in the General Fund.



GAARD Releases

2014 – 86.2%

2015 – 89.0%

2017 – 87.8%

USE OF FUND

AUGMENTATION

and

REALIGNMENT

GENERAL APPROPR

Use of Fund

- **Use of appropriations authorized by law**
- **Subject to conditions on release and use**
- **Part of GAARD or subject to SARO in case of those in the negative list**



Use of Fund

GPs, Appropriations for Personnel Services

The appropriations for Personnel Services under this Act shall be used for the payment of personnel benefits authorized by law to be given to National Government employees, computed based on the human resource information provided in the Government Manpower Information System to be enhanced by the DBM: PROVIDED, That the payment of Magna Carta benefits shall be limited to the benefits specified and appropriations authorized in this Act for the purpose and the provision of Section 52 hereof: PROVIDED, FURTHER, That any available allotment for Personnel Services within a department or agency may be utilized by said department or agency for the payment of deficiencies in authorized personnel benefits.



AUGMENTATION vs. REALIGNMENT

Augmentation = Authority to Use Savings
Realignment \neq Use of Savings



What the Constitution states

- **Article VI, Section 25 (5)**

“ No law shall be passed authorizing any transfer of appropriations, however, the **President**, the **President of the Senate**, the **Speaker of the House of Representatives**, the **Chief Justice of the Supreme Court**, and the **heads of the Constitutional Commissions**, *may by law be authorized to augment any item in the general appropriations law for their respective offices **from savings** in other items of their respective appropriations.*” (Emphasis ours)



Constitutional Limitations

- ❑ Absolutely NO transfer of appropriations; what is allowed is transfer of savings.
- ❑ There must be a legislation as to the use of savings and necessarily what constitutes savings.
- ❑ The authority to use savings is exclusive to the constitutional officers mentioned; CANNOT be delegated.
- ❑ Augmentation is the term used in using savings for deficient items of appropriations.
- ❑ The Constitution did not define what an item of appropriation is.
 - By jurisprudence, it is defined as the particulars, the details, the distinct and severable parts of the general appropriations law. (*Gonzales vs. Macaraig*)
 - The US Supreme Court in *Bengzon vs SOJ* held that an item of appropriation obviously means a specific appropriation of money.



GP, Meaning of Augmentation

1. Augmentation is the act of the authorized officers to use savings in their respective appropriations to provide additional funding to cover an actual deficiency incurred for the current year in any existing item in their respective appropriations.
2. A deficiency in the appropriations result from:
 - a) Unforeseen modifications or adjustments in the P/A/P; or
 - b) Re-assessment in the use, prioritization and/or distribution of resources:

Justified modifications or adjustments in the P/A/P authorized in this Act;

3. In no case shall a non-existent P/A/P may be funded by augmentation from savings.
4. The existence of an appropriation for an allotment class in a P/A/P is NOT necessary for the purposes of augmentation.



Sec. 74. Meaning of Augmentation. Augmentation is the act of the constitutional officers authorized to use savings in their respective appropriations to cover a deficiency in any existing P/A/P within their respective offices. A deficiency in a P/A/P may result from:

- (a) Unforeseen modifications or adjustments in the P/A/P; or
- (b) Re-assessment in the use, prioritization and/or distribution of resources:

PROVIDED, That the particulars of the expenditures to be funded from savings are within the scope of, or covered by an existing P/A/P. The existence of a P/A/P. The existence of a P/A/P regardless of the availability of allotment class/es is sufficient for the purpose of augmentation.

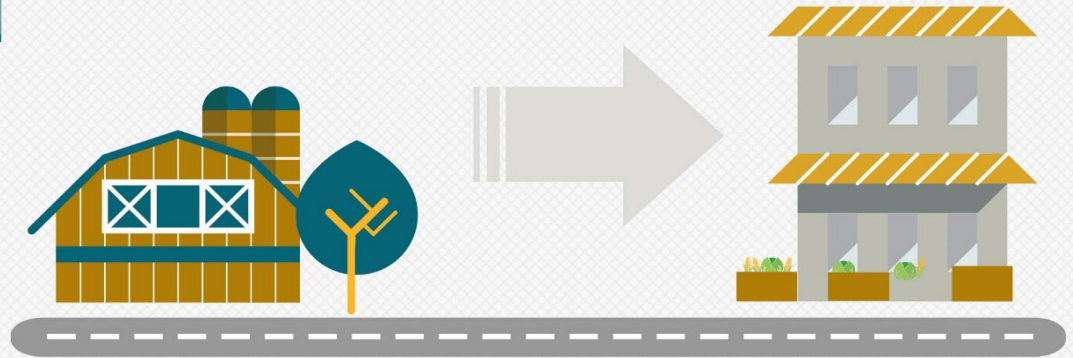
In no case shall a non-existent P/A/P be funded by augmentation from savings or by the use of an appropriations otherwise authorized in this Act.

FOR EXAMPLE:

ITEM OF APPROPRIATION

Construction of Barangay San Isidro Farm-to-Market Road

Php 5.5 M



ALLOTMENT CLASS 1



**Personnel
Services
(PS)**

EXAMPLE:
Engineers to supervise
construction

Php 300,000

ALLOTMENT CLASS 3

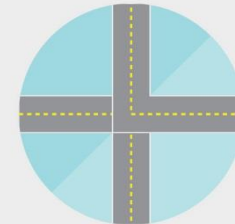


**Maintenance
and Other
Operating
Expenditures
(MOOE)**

EXAMPLE:
Gasoline for the engineers'
transportation, and other such utilities

Php 250,000

ALLOTMENT CLASS 2



**Capital
Outlays
(CO)**

EXAMPLE:
Cement, steel bars, and other
materials for building roads

Php 5.0 M

The illustration above shows a hypothetical case. This does not reflect actual costs indicated in any particular General Appropriations Act.



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Current Operating Expenditures

<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Financial Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
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Locally-Funded Project(s)

Roads and Bridges

Farm-to-Market Roads

Repair/Rehabilitation and Construction of Farm-to-Market Roads in Designated Key Production Areas

National Capital Region

Central Office

Concreting of Tandoh- Tongsi-Kotong FMR, Brgy. Tandoh, Sumisip, Basilan
 Concreting of Sitio Matias FMR, Brgy. Tumahubong, Sumisip, Basilan
 Concreting of Malna FMR, Brgy. Malna, Kapai, Lanao del Sur
 Concreting of Bangon FMR, Brgy. Bangon, Buadipuso-Buntong, Lanao del Sur
 Concreting of Salolodun Berwar FMR, Brgy. Salolodun Berwar, Lumba Bayabao, Lanao del Sur
 Concreting of Brgy. Lalangitun FMR, Brgy. Lalangitun, Lumba Bayabao, Lanao del Sur
 Concreting of Dasomalong FMR, Brgy. Dasomalong, Tamparan, Lanao del Sur
 Concreting of Manalocon Talub FMR, Brgy. Manalocon Talub, Masiu, Lanao del Sur

ALLOTMENT CLASS

ITEM OF APPROPRIATION

	7,377,167,000	7,377,167,000
	160,000,000	160,000,000
	160,000,000	160,000,000
	10,000,000	10,000,000
	10,000,000	10,000,000
	5,000,000	5,000,000
	3,000,000	3,000,000
	7,000,000	7,000,000
	2,000,000	2,000,000
	2,000,000	2,000,000
	2,000,000	2,000,000



GP, Meaning of Savings

Meaning of Savings = portions or balances of:

1. **RELEASED APPROPRIATIONS** in the GAA which have **NOT BEEN OBLIGATED** as a result of any of the following:
 - (a) Final discontinuance or abandonment of an ongoing program, activity or project (P/A/P) by the head of agency concerned due to causes not attributable to the fault or negligence of the said agency which would not render it possible for the agency to implement said P/A/P during the validity of the appropriations;
 - (b) Non-commencement of the P/A/P for which the appropriations is released. For this purpose, non-commencement shall refer to the inability of the agency or its duly authorized procurement to obligate the released allotment and implement the P/A/P due to natural or man-made calamities or other causes not attributable to the fault or negligence of the agency concerned during the validity of the appropriations;
 - (c) Decreased cost resulting from improved efficiency during the implementation or until the completion by agencies of their P/A/Ps: Provided, that the agencies will still be able to deliver the targets and services as approved in this Act; and
 - (d) Difference between the approved budget for the contract and the contract award price including any variations required for the project.



GP, Meaning of Savings (Continuation)

2. **UNRELEASED APPROPRIATIONS** arising from unused compensation and related costs pertaining to:
 - (a) unfilled, vacant or abolished positions;
 - (b) non-entitlement to allowance and benefits;
 - (c) leaves of absence without pay; and
 - (d) unutilized pension and retirement benefits arising from death of pensioners, decrease in the number of retirees, or other related causes.

- In all cases, savings cannot be generated if it is a result of the fault of the agency



Sec. 73. Meaning of Savings. Savings refer to portions or balances of any released appropriations in this Act which have not been obligated as a result of any of the following:

- (a) Final discontinuance or abandonment of an ongoing program, activity or project (P/A/P) by the head of agency concerned due to causes not attributable to the fault or negligence of the said agency which would not render it possible for the agency to implement said P/A/P during the validity of the appropriations;
- (b) Non-commencement of the P/A/P for which the appropriations is released. For this purpose, non-commencement shall refer to the inability of the agency or its duly authorized procurement to obligate the released allotment and implement the P/A/P due to natural or man-made calamities or other causes not attributable to the fault or negligence of the agency concerned during the validity of the appropriations;
- (c) Decreased cost resulting from improved efficiency during the implementation or until the completion by agencies of their P/A/Ps: Provided, that the agencies will still be able to deliver the targets and services as approved in this Act; and
- (d) Difference between the approved budget for the contract and the contract award price including any variations required for the project.

PROVIDED, HOWEVER, That savings may likewise refer to available balances of appropriations arising from unused compensation and related costs pertaining to: (i) unfilled, vacant or abolished positions; (ii) non-entitlement to allowances and benefits; (iii) leaves of absence without pay; and (iv) unutilized pension and retirement benefits arising from death of pensioners, decrease in the number of retirees, or other related causes.

Programmed appropriations which have not been released or allotments not obligated due to the fault of the agency concerned shall not be considered savings.

GP, Rules in Realignment

GENERAL RULE: Agencies and offices must spend what it is programmed in their appropriations.

EXCEPTION: Realignment under the Provisions in the GAA, which is defined as the reallocation, modification, change in the details **WITHIN AN EXISTING P/A/P**.

- In case there are several activities within a Program, realignment may be made only **WITHIN** an activity.

Who are authorized to realign?

- (a) The heads of agencies for: (i) realignment of an object of expenditure (Salaries and Wages, Travelling Expenses, or Investment Outlays) within an allotment class (Personnel Services, MOOE, or Capital Outlays); and (ii) project modifications authorized in the special provisions in the GAA;
- (b) the DBM in the following realignments: (i) for the payment of magna carta benefits authorized under Section 55, General Provisions in the GAA; (ii) from one allotment class to another; (iii) from one operating unit to another; (iv) within a special purpose fund; and (v) within the purpose authorized under the Unprogrammed Appropriations; and



GP, Rules in Realignment (Continuation)

(c) The President of the Philippines in realignments for the payment of intelligence funds, contingent fund, NDRRMF, RRP, and change of purpose under UA.

When to realign?

- Realignment within CO, request must be submitted until June 30, except if due to the occurrence of calamities
- Realignment from CO to another allotment class, request must be submitted until June 30, except if due to the occurrence of calamities
- Realignment from mandatory expenditures, during the 4th quarter



Section. 76. Rules in the Realignment of Funds. As a general rule, departments, bureaus and offices of the national government, including Constitutional Offices enjoying fiscal autonomy and SUCs shall spend what is programmed in their respective appropriations in this Act. In exceptional circumstances, realignment may be made within a P/A/P subject to approval of the following:

- (a) The heads of agencies for: (i) realignment of an object of expenditure (Salaries and Wages, Travelling Expenses, or Investment Outlays) within an allotment class (Personnel Services, MOOE, or Capital Outlays); and (ii) project modifications authorized in the special provisions in this Act;
- (b) the DBM in the following realignments: (i) for the payment of magna carta benefits authorized under Section 55 hereof; (ii) from one allotment class to another; (iii) from one operating unit to another; (iv) within a special purpose fund; and (v) within the purpose authorized under the Unprogrammed Appropriations; and
- (c) The President of the Philippines for the payment of intelligence funds within the executive branch:

PROVIDED, That realignment within and from capital Outlays may only be done until June 30, 2016, except if due to the occurrence of calamities: PROVIDED, FURTHER, That realignment will not entail an increase in the total amount appropriated for a P/A/P.

Realignment of funds refers to the reallocation, modification or change in the details within an existing P/A/P. In the case of programs with several activities, realignment shall be limited within each of the activity.

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Current Operating Expenditures

<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Financial Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
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ALLOTMENT CLASS

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	7,000,000	7,000,000
	2,000,000	2,000,000
	2,000,000	2,000,000
	2,000,000	2,000,000



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Maintenance and Other Operating Expenses

OBJECT OF EXPENDITURE





Travelling Expenses	38,595
Training and Scholarship Expenses	4,701
Supplies and Materials Expenses	61,059
Utility Expenses	47,457
Communication Expenses	16,976
Awards/Rewards and Prizes	160
Confidential, Intelligence and Extraordinary Expenses	
Extraordinary and Miscellaneous Expenses	3,632
Professional Services	9,596
General Services	45,447
Repairs and Maintenance	30,671
Financial Assistance/Subsidy	3,167,716
Taxes, Insurance Premiums and Other Fees	6,217
Other Maintenance and Operating Expenses	
Advertising Expenses	822
Printing and Publication Expenses	1,657
Representation Expenses	5,437
Transportation and Delivery Expenses	396
Rent/Lease Expenses	5,570
Membership Dues and Contributions to Organizations	667
Subscription Expenses	2,811
Other Maintenance and Operating Expenses	880
Total Maintenance and Other Operating Expenses	3,450,467

Department of Science and Technology



	Augmentation	Realignment
Exercised by Whom	President, Senate President, House Speaker, Chief Justice, Heads of Constitutional Commissions and the Ombudsman	President, DBM or Heads of Agencies
Limitation	<ul style="list-style-type: none"> - Within respective appropriations (may be from one P/A/P to another) - No cross-border transfers (from Executive to Legislative etc.) request must be submitted 	<ul style="list-style-type: none"> - Within the same P/A/P - Within the same allotment class or from one allotment class to another - From one operating unit to another - From one object of expenditure to another
Existence of Allotment Class		
Existence of Object of Expenditure		



REALIGNMENT	FY 2015 GAA	FY 2016 GAA
Exercised by Whom	President, DBM, Heads of Agencies	President, DBM, Heads of Agencies
Limitations:	<p>-Always within the same P/A/P</p> <p>a. Heads of Agencies: within the same allotment class; from one object of expenditure to another (exceptions: intelligence funds and payment of Magna Carta);</p> <p>b. DBM: from one allotment class to another</p> <p>c. President: intelligence funds</p>	<p>-Always within the same P/A/P</p> <p>a. Heads of Agencies: within the same allotment class; from one object of expenditure to another (exceptions: intelligence funds and payment of Magna Carta);</p> <p>b. DBM: from one allotment class to another; from one operating unit to another; within an SPF; within a purpose of an UA</p> <p>c. President: intelligence funds</p>
Existence of Allotment Class		
Existence of Object of Expenditure		

NEW GENERAL PROVISIONS

GENERAL APPROPR

Sec. 20. Early Procurement Activities. To ensure full budget utilization, timely contract implementation and efficient delivery of services, agencies are authorized to undertake procurement activities from pre-procurement conference until post-qualification of bids based on their proposed budget in the National Expenditure Program/General Appropriations Bill, Corporate Operating Budgets of Appropriations Ordinance, in accordance with the guidelines issued by the GPPB and/or DBM.

For multi-year contracts, the issuance of a Multi-year Obligational Authority (MYOA) by the DBM is required prior to commencement of any procurement activity.

Agencies may proceed with the awarding of contract upon approval or enactment of their respective appropriations or budget authorization document, as the case may be, and based on the amount authorized therein.



Sec. 64. Transportation Expenses of Observers. Observers invited to sit in proceedings of the Bids and Awards Committee in accordance with Section 13 of R.A. No. 9184 is allowed to reimburse not more than Eight Hundred Pesos (P800) of transportation expenses of every meeting attended: PROVIDED, That the aggregate monthly reimbursable transportation expenses shall not exceed Three Thousand Two Hundred Pesos (P3,200) for every observer. Said amount shall be chargeable against the MOOE of agencies.

Implementation of this Section shall be subject to budgeting, accounting, and auditing rules and regulations.

Sec. 86. Electronic Payments in Government Disbursements.

Departments, bureaus and offices, and instrumentalities of the National Government, including Constitutional Offices enjoying fiscal autonomy, SUCs and GOCCs shall adopt the use of electronic payment in the disbursement of public funds.

In cases when the adoption of electronic payment is impracticable, agencies shall submit to the DBM, within sixty (60) days from the effectivity of this Act, the reasons therefor and a plan to ensure compliance.

NEW SPECIAL PROVISION ON LEGAL DEFENSE FUND

GENERAL APPROPR

MISCELLANEOUS PERSONNEL BENEFITS FUND

SP No. 2. Legal Defense Fund. The amount of Two Hundred Million Pesos (P200,000,000) appropriated herein for the Legal Defense Fund shall be used for the actual expenses, including payment of premiums for posting of bail bonds and cash advance for expenses incurred by officials and employees of departments, bureaus and offices, in relation to the defense of administrative, civil or criminal cases filed against them in courts for acts committed in the performance of their actual functions.

The authorized legal expenses that may be charged against this Fund shall be those incurred during the year and limited to the amounts provided in COA Resolution No. 2013-017 dated August 23, 2013 or such other guidelines that may be issued by agencies concerned. The maximum allowable amounts shall be applied per case and consolidated cases shall be considered as one case.

The Legal Defense Fund may likewise be used for the legal assistance of Bids and Awards Committee members and their support staff authorized under R.A. No. 9184, its IRR and GPPB guidelines.

Release of funds shall be subject to the favorable endorsement by the Legal Defense Fund Claim Board established in each agency to determine the eligibility and compliance with allowable amounts chargeable from this Fund. Any favorable decision by the Board shall be final and executory while denial of claim shall be appealable directly to the Office of the President.



VETOED ACTIONS IN FY 2016

GENERAL APPROPR

Direct Veto

Renders the provision inoperative, as if not written in the GAA

Conditional Implementation

Specifies conditions in the implementation of a provision

General Observation

Explains how a provision will be implemented during the budget year



DIRECT VETO

1. Use of Income

a. Department of Justice-National Bureau of Investigation

b. Other Executive Offices-Energy Regulatory Commission

c. Department of Transportation and Communication-Office of the Secretary

- In the absence of a separate law allowing agencies to use their income, the above provisions are considered ‘riders’ and must not be countenanced. In the case of *Phil. Constitution Association, et al., vs. Hon. Salvador Enriquez, et al.*, (235 SCRA 534, 1994), the Supreme Court has ruled that the budget law cannot include matters that should properly be enacted in a separate legislation as the same is considered as an inappropriate provision which may be subject of a line item veto.

- All income of agencies shall be deposited in the National Treasury as income of the general fund to be used for the operations of the government.



CONDITIONAL IMPLEMENTATION

A. FISCAL TRANSPARENCY AND ACCOUNTABILITY

(SP, Availability of Appropriations and Cash Allocations)

- a. **Judiciary-Supreme Court of the Philippines and the Lower Courts**
- b. **Judiciary-Presidential Electoral Tribunal**
- c. **Judiciary-Sandiganbayan**
- d. **Judiciary-Court of Appeals**
- e. **Judiciary-Court of Tax Appeals**
- f. **Commission on Audit**
- g. **Commission on Elections**
- h. **Office of the Ombudsman**
- i. **Congress of the Philippines**

- The principle of equal application of policies and standards applies in particular to the expenditure of public funds which are meant to be disbursed for their purposes as authorized in the annual budget law, and during the validity of such appropriations. Unexpended balances of appropriations must revert back to the Treasury in order that they be authorized anew by a subsequent appropriations law.



CONDITIONAL IMPLEMENTATION

B. DIRECT RELEASE OF MOOE REQUIREMENTS TO LOWER COURTS

Maintenance and other Operating Expenses of Lower Courts (Judiciary-Supreme Court of the Philippines and the Lower Courts)

- The DBM shall release the MOOE directly to all lower courts in the country for judicial administration and efficient administration of justice

C. NETWORK PLAN FOR FARM-TO-MARKET ROAD PROJECTS

Farm-to-Market-Road Projects (Department of Agriculture-Office of the Secretary)

- The DA shall put in place a network plan to guide the implementation of FMR projects all over the country.



CONDITIONAL IMPLEMENTATION

D. ROW OBLIGATIONS OF PPP TRANSPORTATION INFRASTRUCTURE PROJECTS

**Public-Private Partnership Transportation Infrastructure Projects
(Department of Transportation and Communications-Office of the Secretary)**

- The DOTC-OSEC shall settle all right-of-way (ROW) acquisition expenses, which is an indispensable requirement for the PPP Projects to proceed and the need to prioritize ROW obligations of the government and utilize the Risk Management Program to avoid duplication of funding sources and to cover other government commitments under the PPP contracts.**

E. PROPER RECORDING OF TAX REFUNDS

Tax Refund (Department of Finance-Bureau of Internal Revenue)

- Similar with the recording of tax refunds by the Bureau of Customs, the DOF-BIR shall cover adjustments in the current year's revenue collections equivalent to the tax refunds made by the BIR for both current and prior years.**



CONDITIONAL IMPLEMENTATION

F. PROPER USE OF INCOME, FEES OR APPROPRIATIONS

1. Building Fund (Department of Foreign Affairs-Office of the Secretary)

- ❑ The DFA-OSEC shall prioritize the acquisition of new properties and the renovation of deteriorating government-owned consular properties, chanceries, and residences of the Philippine Foreign Service in the use of the Building Fund. The funding requirements for the acquisition or rehabilitation of other DFA offices in the Philippines shall be sourced from its regular appropriations, and not from the Building Fund.

2. Hospital Income (Department of Health-Office of the Secretary)

- ❑ The DOH shall set the standards and parameters for the availment of the Point of Care Program which shall include the selection of beneficiaries, which shall prioritize indigents not covered under the National Household Targeting System.

3. Express Lane Charges (Department of Justice-Bureau of Immigration)

- ❑ The implementation of the Express Lane Charges shall be subject to the: (i) submission by the Bureau to the DBM of the list of fees and charges covered, together with the utilization reports on past collections; (ii) compliance with the authorized rates and rules in the grant and/or payment of salaries, allowances, benefits, and incentives, including overtime pay and health premium payments to the Bureau's employees; (iii) payment within the prescribed rates for casual, contractual, and job order employees, including confidential agents; and (iv) such other rules and policies as may be issued by the DBM.

CONDITIONAL IMPLEMENTATION

4. Availment of the Unprogrammed Appropriations

- a. Pension and Gratuity Fund
- b. Unprogrammed Appropriations

- The DBM and DND-PVAO shall issue the IRR with due regard for the pending measures on pension reforms in the government.

5. Income from Amusement Tax and Other Fees and Charges (Film Development Council of the Philippines)

- This income shall not be used for the purchase of motor vehicles, in accordance with Sec. 16 (b) of RA No. 9167 (FDCP Mandate)

G. COMPLIANCE WITH THE REQUIREMENTS OF EXISTING LAWS

- 1. Protection of Built Heritage, Cultural Properties and Cultural Landscapes (Section 43, General Provisions)
- 2. Preservation of Gabaldon and Other Heritage School Buildings (Department of Education-Office of the Secretary)
 - Cultural agencies are directed to harmonize the abovementioned provision of laws particularly the prohibition on the demolition of cultural properties and sites, and the need for prior consultation with stakeholders and cultural groups on the alteration, renovation, or demolition of government buildings.



CONDITIONAL IMPLEMENTATION

3. Evacuation Centers

- a. Department of Public Works and Highways
- b. Department of Interior and Local Government

- ❑ The DPWH shall study, in consultation with the Civil Engineering Board and other stakeholders, of the standards set by the National Structural Code of the Philippines on the construction of buildings and other structures. Likewise, the DILG shall continuously remind LGUs of the need to observe said standards.

4. National Internal Revenue Taxes and Import Duties (Sec. 16, General Provisions)

- ❑ The implementation of this provision shall be subject to the prior approval of the Fiscal Incentives Review Board, created pursuant to P.D. No. 776 (*Creating a Fiscal Incentives Board*), as amended by E.O. No. 93, s. 1986 (*Expanding the Powers of the Fiscal Incentives Review Board*)



CONDITIONAL IMPLEMENTATION

H. EFFICIENCY IN THE USE OF PUBLIC FUNDS

1. Quick Response Fund

- a. Department of National Defense-Office of the Secretary
- b. Department of Interior and Local Government-Bureau of Fire Protection
- c. Department of Transportation and Communications-Philippine Coast Guard
- d. Department of Interior and Local Government- Philippine National Police

To guarantee the immediate provision of adequate goods, supplies, and materials to victims of disasters and calamities, the above agencies are directed to undertake swift and efficient coordination activities with the DSWD to prevent the overlapping of pre-positioning activities.

2. Block Farm Program (Budgetary Support to Government Corporations-Sugar Regulatory Administration)

The SRA, in coordination with the DA, shall ensure that beneficiaries under its program are not recipients of similar programs under other agencies and set up common guidelines for the implementation of the Block farm Program across all agencies



GENERAL OBSERVATION

A. ORGANIZATIONAL STRUCTURE

- 1. Organizational Structure of the Senate, the House of Representatives, the Senate and House of Representatives Electoral tribunals and the Commission on Appointments (Congress)**
- 2. Organizational Structure (Commission on Audit)**
 - The Congress and COA shall abide by the rules on the creation of new positions and other adjustments in the Personal Services itemization, as well as observe the scrap and build policy for any adjustment and modification in their Organizational and Staffing Structure.



GENERAL OBSERVATION

B. FULL INTEGRATION OF SPECIAL ALLOWANCE

Special Allowance

- a. **Judiciary-Supreme Court of the Philippines and the Lower Courts**
- b. **Department of Justice-Office of the Solicitor General**

- Restating the provisions of substantive laws granting special allowance, Sec. 6 of RA No. 9227 directed that the special allowances granted unto all justices, judges, and all other positions in the Judiciary with the equivalent rank of justices of the Court of Appeals or the RTC be integrated with their salaries upon the full implementation of R.A. No. 6758, as amended by Congress Joint Resolution No. 4, s. 2009 in accordance with R.A. No. 9227 (*An Act Granting Additional Compensation in the Form of Special Allowances for Justices, Judges and all Other Positions in the Judiciary*)
- To ensure as well that the integration of the special allowance given to the Solicitor General, Asst. Solicitor General, Senior State Solicitor, State Solicitors I and II, Associate Solicitors I to III with their salaries, be given upon the full implementation of the abovementioned compensation adjustment law.



GENERAL OBSERVATION

C. GRANT OF SALARIES AND ALLOWANCES

Registration and Filing Fees (Department of Finance-Securities and Exchange Commission)

- Salary adjustments and the grant of allowance and other benefits of SEC officials and employees shall be made only upon the recommendation of the DBM and the President's final approval.

D. SUBMISSION OF REPORTS

- a. **Income from Collections of the Office of the Solicitor General and**
- b. **Operational Requirements of the Special Committee on Naturalization (Department of Justice-Office of the Solicitor General)**

- The DOJ-OSG shall comply with the submission of quarterly reports on financial and physical accomplishments



GENERAL OBSERVATION

E. PROSECUTION OF ILLEGAL OCCUPANTS

Containment of the Cleared Areas (Department of Interior and Local Government-Office of the Secretary)

- ❑ The prosecution of professional squatters, members of a squatting syndicate, or any individual or group who will occupy or cause other persons to occupy cleared areas shall be made through the National Prosecution Service of the DOJ being the entity responsible for the investigation of the commission of crimes, the prosecution of offenders and the administration of the probation and correction system.

F. NATIONAL GOVERNMENT EQUITY

Availment of the Unprogrammed Appropriations (Unprogrammed Fund)

- ❑ The Unprogrammed Fund provides standby authority in case of excess collections by the government. The release of the National Government equity for the Landbank of the Philippines shall be chargeable against the dividend collections remitted by GOCCs in excess of the dividend targets under the FY 2016 Budget of Expenditures and Sources of Financing.

ITEMS V AND VI

V. SHARED FISCAL ACCOUNTABILITY

- ❑ All agencies of the government to sustain PFM reforms and uphold fiscal openness and accountability to ensure that public funds are indeed spent for the people's benefit, and that citizens are empowered to hold public institutions and officials accountable for their actions.
- ❑ Pursuant to the legal mandate and policies under the General Provisions of the FY 2016 GAA and Chapter 4, Book VI of E.O. No. 292, all appropriations for Personnel Services shall be valid for release and obligation until December 31, 2016. All unreleased appropriations and unobligated allotments authorized on said Act shall revert to the General Fund at the end of the validity of appropriations, and shall be available for expenditure only upon subsequent legislative enactment.

VI. PERFORMANCE TARGETS OF AGENCIES

- ❑ The changes, increases, reductions, and new budgetary items should carry with them the corresponding adjustments in the committed performance targets of the agencies concerned. The DBM shall inform the agencies of the changes in their respective appropriations and require the submission of their revised performance targets.





Prohibited Activities



in Connection with the
Conduct of the National
and Local Elections

Release, Disbursement and Expenditures of Public Funds

PROHIBITIONS	EXEMPTIONS
<p>Releases, disbursements or expenditures of public funds for any and all kinds of public works, social projects and housing-related projects as well as issuance of treasury warrants or any device undertaking future delivery of money, goods, or other things of value chargeable against public funds for the period covering March 25, 2016 to May 8, 2016.</p>	<p>1. Public Works</p> <p>1.1 Maintenance of existing and/or completed public works where no additional laborers are employed for the period covering March 25 to May 8, 2016;</p> <p>1.2 Works undertaken by contract through public bidding or negotiated contract awarded before March 25, 2016;</p> <p>1.3 Preparatory works. Payment for the usual cost of procedures preparatory to construction and all incidental expenses for wages of laborers for such work before March 25, 2016 provided that the number of employees shall not be increased over the number of laborers hired when the project was commenced;</p> <p>1.4 Emergency works necessitated by public calamity but limited to the restoration of the damaged facility;</p>



Release, Disbursement and Expenditures of Public Funds

PROHIBITIONS	EXEMPTIONS
	<p>1.5 Ongoing projects commenced before the campaign period and is listed as authorized public works or project by the COMELEC; and</p> <p>1.6 Projects under foreign agreements or ongoing foreign-assisted projects which are included in the list of public works required to be submitted to the COMELEC.</p> <p>2. Social projects</p> <p>2.1 Personal Service expenses;</p> <p>2.2 Routine and normal expenses; and</p> <p>2.3 Expenses related to social projects authorized by COMELEC after due notice and hearing.</p> <p>3. Housing-related Projects</p> <p>3.1. Personal Service expenses;</p> <p>3.2 Other necessary administrative expenses; and</p> <p>3.3 COMELEC exemptions related to housing projects granted</p>



Others

PROHIBITIONS	EXEMPTIONS
<ol style="list-style-type: none">1. Transfer, promotion, extension, recall or movement of officer or member of the foreign service corps from current post or position for the period covering May 10, 2015 to August 7, 2016 (Section 36, RA 9189 as renumbered by Section 37 of RA10590 and implemented by COMELEC Resolution No. 9935 dated March 24, 2015 .2. Transfer or movement of officers and employees in the civil service for the period covering January 10, 2016 to June 8, 2016 Sec. 261 h BPBI . 881 .	<ol style="list-style-type: none">1. Transfer, promotion, extension, recall or movement of officer or member of the foreign service with the approval of the COMELEC (Section 36, RA No. 9189 as renumbered by Section 37 of RA 10590 and implemented by COMELEC Resolution No. 9935 dated March 24, 2015).2. Transfer or movement of officers and employees in the civil service with the prior approval from the COMELEC (Sec. 261 (h), BP Blg. 881).



Others

PROHIBITIONS	EXEMPTIONS
<p>3. Bearing, carrying or transporting firearms or other deadly weapons for the period covering January 10, 2016 to June 8 2016 Sec. 32 R.A. 7166 .</p> <p>4. Use of security personnel or bodyguards by candidates for the period covering January 10, 2016 to June 08, 2016 Section 33 R.A. 7166.</p> <p>5. Appointment or hiring of new employees, creation or filling up of new positions; promotion or giving of salary increase, remuneration or privilege for the period covering March 25, 2016 to May 8, 2016 (Section 261 (g), BP Blg. 881).</p> <p>6. Suspension of elective officials for the period covering January 10, 2016 to June 8, 2016 (Sec. 261 (x), BP Blg. 881).</p>	<p>3. Bearing, carrying or transporting firearms or other deadly weapons with authorization from COMELEC (Sec. 32, RA No. 7166).</p> <p>4. Use of security personnel or bodyguards by candidates with the written authority from the COMELEC (Section 33, RA No. 7166).</p> <p>5. Appointment in case of urgent need and hiring of new employees which is essential to the proper functioning of the office or agency as determined by the COMELEC (Section 261 (g), BP Blg. 881).</p> <p>6. Suspension of elective officials with the approval of COMELEC or when the Suspension of the elective official is for the purpose of applying the Anti-Graft and Corrupt Practices Act (Sec. 261 (x), BP Blg. 881).</p>



Others

PROHIBITIONS	EXEMPTIONS
7. Giving donations or gift in cash or kind, etc. for the period covering February 9, 2016 to May 9, 2016 (Section 104, BP Blg. 881)	7. Normal and customary religious dues or contributions (Section 104, BP Blg. 881)
8. Appointment or use of special policeman, confidential agents and the like for the period covering February 9, 2016 to May 9, 2016 (Section 261 (m), BP Blg. 881)	None
9. Organization or maintenance of reaction forces, strike forces or other similar forces for the period covering January 10, 2016 to June 8, 2016 (Section 261 (u), BP Blg. 881)	None
10. Alteration of territory of a precinct or establishment of a new precinct for the period covering January 10, 2016 to June 8, 2016 (Section 5, RA No. 8189)	None
11. Illegal release of prisoners for the period covering March 10, 2016 to June 8, 2016 (Section 261 (n), BP Blg. 881)	None



Others

PROHIBITIONS	EXEMPTIONS
7. Giving donations or gift in cash or kind, etc. for the period covering February 9, 2016 to May 9, 2016 (Section 104, BP Blg. 881)	7. Normal and customary religious dues or contributions (Section 104, BP Blg. 881)
8. Appointment or use of special policeman, confidential agents and the like for the period covering February 9, 2016 to May 9, 2016 (Section 261 (m), BP Blg. 881)	None
9. Organization or maintenance of reaction forces, strike forces or other similar forces for the period covering January 10, 2016 to June 8, 2016 (Section 261 (u), BP Blg. 881)	None
10. Alteration of territory of a precinct or establishment of a new precinct for the period covering January 10, 2016 to June 8, 2016 (Section 5, RA No. 8189)	None
11. Illegal release of prisoners for the period covering March 10, 2016 to June 8, 2016 (Section 261 (n), BP Blg. 881)	None



Documents required prior to release of funds covering exempt works or projects

EXEMPT WORKS/PROJECTS	DOCUMENTARY REQUIREMENTS
<p>A. PUBLIC WORKS</p> <ol style="list-style-type: none">1. Maintenance works;2. Works undertaken by contract through public bidding before the election ban;3. Preparatory works;4. Emergency work in case of calamity;5. Ongoing projects; and6. Similar projects under foreign agreements.	<p>A. Sworn certification from the head of the department or agency that said public works, social project or housing-related project is exempt under Section 261 (v) (1) of the BP Blg. 881.</p>



Documents required prior to release of funds covering exempt works or projects

EXEMPT WORKS/PROJECTS	DOCUMENTARY REQUIREMENTS
<p data-bbox="104 415 552 454">B. SOCIAL PROJECTS</p> <ol data-bbox="104 518 1045 761" style="list-style-type: none"><li data-bbox="104 518 707 556">1. Personal Service expenses;<li data-bbox="104 571 755 656">2. Routine and normal expenses; and<li data-bbox="104 671 1045 761">3. Expenses related to social projects authorized by COMELEC after due notice and hearing. <p data-bbox="104 822 809 861">C. HOUSING-RELATED PROJECTS</p> <ol data-bbox="104 925 1045 1168" style="list-style-type: none"><li data-bbox="104 925 697 963">1. Personal Service expenses<li data-bbox="104 978 1045 1063">2. Other necessary administrative expenses; and<li data-bbox="104 1078 1045 1168">3. COMELEC exemptions related to housing projects granted after due notice and hearing.	<p data-bbox="1083 415 1251 454">B and C.</p> <p data-bbox="1083 518 1846 761">Written proof that said public works, social project or housing-related project is included in the list of authorized projects required to be submitted to the COMELEC.</p>



THANK YOU!

