



FY 2023 FUND RELEASE

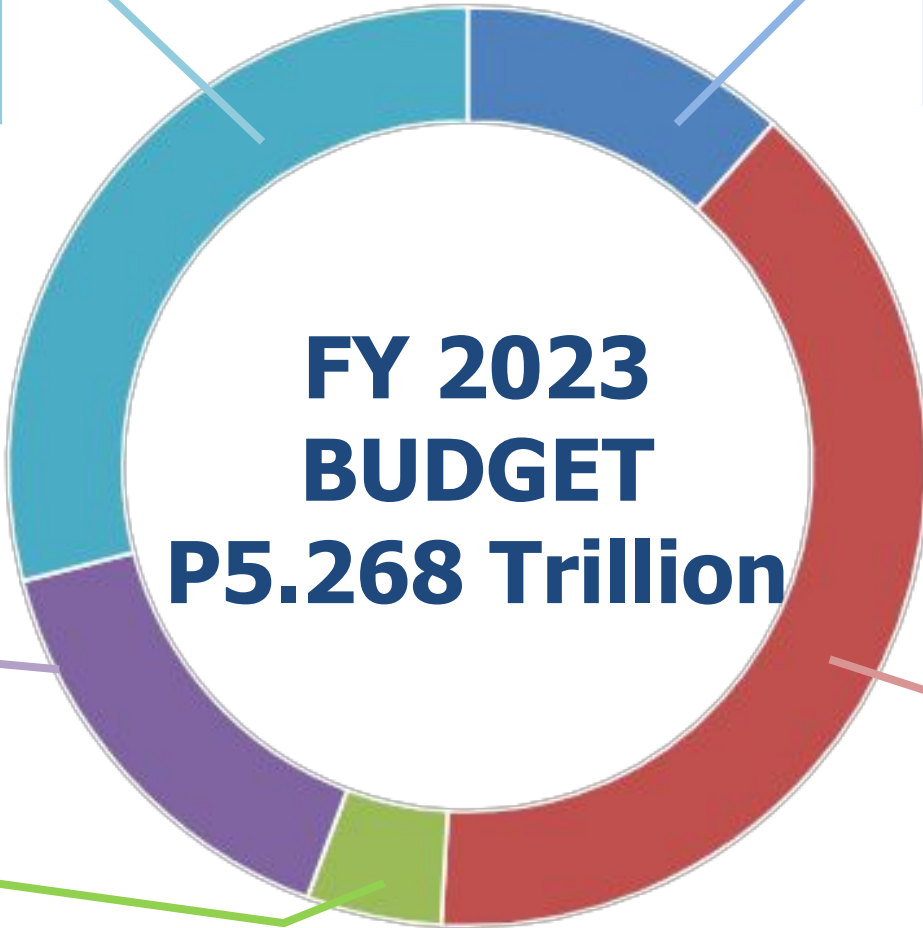
DBM National Budget Circular 590, s. 2023

Acting Assistant Secretary Mary Anne Z. Dela Vega
Department of Budget and Management



P1.528T
Economic Services
or 29.01% of the Budget

P611.0B
Debt Burden
or 11.59% of the Budget



P807.2B
General Public Services
or 15.32% of the Budget

P2.071T
Social Services
Or 39.31% of the Budget

P250.7B
Defense Sector
4.76% of the Budget

■ Debt Burden ■ Social Services ■ Defense ■ General Public Services ■ Economic Services





FY 2023 GAA

Effectivity

January 1, 2023

- as provided under Section 108, General Provisions (GP), RA 11936

? What is **an Allotment Release Program**?



- Maximum allotment that can be issued to an agency
- Shall be equal to the total of the following:
 - ✓ RA No. 11936, FY 2023 GAA, including SPFs; and
 - ✓ Automatic Appropriations, i.e., RLIP, SAGF, among others

VALIDITY OF APPROPRIATIONS

| Appropriation Source | Allotment Class | Release | Obligation | Disbursement |
|-------------------------------|--|-------------------------|----------------------|--------------|
| FY 2023 GAA (Programmed) | PS | Until DECEMBER 31, 2023 | | |
| | MOOE | Until DECEMBER 31, 2024 | | |
| | CO | | | |
| | Special shares in the proceeds of national taxes | Until DEC. 31, 2024 | Until fully expended | |
| FY 2023 GAA (Unprogrammed) | All UA Purposes | Until DECEMBER 31, 2023 | | |

VALIDITY OF APPROPRIATIONS

| Appropriation Source | Allotment Class | Release | Obligation | Disbursement |
|------------------------------------|---|-------------------------|----------------------|--------------|
| FY 2022 GAA (Continuing Appro.) | MOOE | Until DECEMBER 31, 2023 | | |
| | CO | | | |
| Automatic Appropriations | RLIP, SAGF, Pensions of President, Net Lending, Interest Payments, and Tax Expenditure Fund | Until DECEMBER 31, 2023 | | |
| | NTA and Annual Block Grant | Until Dec. 31, 2023 | Until fully expended | |

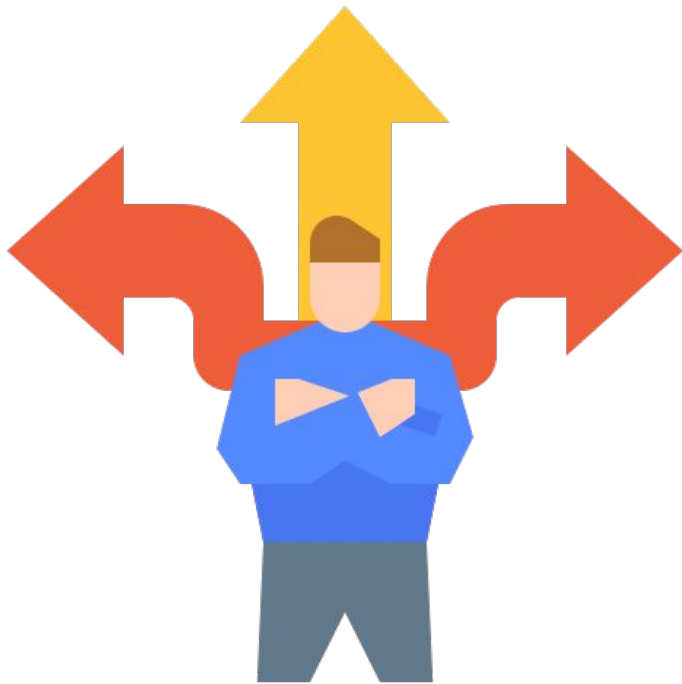
After the end of the specific validity period, what will happen to the unutilized funds?

Answer:

It shall revert to the unappropriated surplus of the General Fund



FLEXIBILITIES ALLOWED TO AGENCIES



1. Modification in Allotments issued

2. Use of PS Appropriation for any PS deficiency

**3. Use of savings to augment any deficient item
of appropriation**

4. Use of fees and income

1. Modification in Allotments issued

MODIFICATION OF ALLOTMENT

Change within an activity or project without increasing the total amount appropriated therein, subject to the approval of the designated authority ensued by the timely submission of reports by all offices concerned

1. Modification in Allotments issued

APPROVING AUTHORITY FOR THE MODIFICATION IN THE ALLOTMENT

President of the Philippines

Intelligence Funds within the Executive Branch

Heads of Agencies

- Change in the details of an activity or project without changing its nature and within the same operating unit.
- Change in the object of expenditure within an allotment class (PS, MOOE, or CO).

1. Modification in Allotments issued

APPROVING AUTHORITY FOR THE MODIFICATION IN THE ALLOTMENT

DBM Secretary

- From one allotment class to another
- From one operating unit to another
- Within a Special Purpose Fund
- Within purposes of Unprogrammed Appropriations
- Payment of newly-authorized Magna Carta benefits not otherwise appropriated

2. Use of PS Appropriation for any PS deficiency

- Use of PS Appro for any PS deficiency Shall not be considered as a form of modification in allotment
- Any available allotment for PS may be utilized for the payment of deficiencies in authorized personnel benefits
- Payment of Magna Carta Benefits
- Payment of CNA Incentive

2. Use of PS Appropriation for any PS deficiency

Limitation in the use of available PS allotments

- Released allotments that cannot be reallocated to other PS items
 - RLIP
 - SAGFs, except if expressly authorized in the law creating them
- Released allotments for PS cannot be used to pay CNA

3. Use of savings to augment any deficient item of appropriation

Savings refer to portions or balances of any released appropriations for P/A/Ps:

- Due to completion, final discontinuance or abandonment; or
- With decreased cost due to improved efficiency.

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.

3. Use of savings to augment any deficient item of appropriation

USE OF SAVINGS FOR AUGMENTATION

- ✓ Only existing P/A/Ps may be funded by augmentation from savings regardless of the availability of allotment class/es
- ✓ Needs OP approval

4. Use of fees and income

Departments/agencies are no longer authorized to avail of excess income since the annual financial requirements of their programs/projects have been fully provided

4. Use of fees and income

- Fees from the conduct of seminar, conference, training and oath-taking from government and private agency participants**
- Proceeds from the sale of official publications**

IMPORTANT TIMELINES



- **November 15, 2023** - deadline for agency request/s that require issuance of SAROs/additional NCAs.
- **Within 30 days after the end of each quarter** - submission of the BFARs
- **On or before the 10th day of the month immediately following the covered period:** MRD,
- APRs Mid-year and end-year shall be conducted by the DBM
 - ✓ BFARs as of June 30 and as of December 31, encoded through the URS
 - ✓ APR Report
 - ✓ Summary of findings and overall agency recommendation

APR will be used as one of the bases for determining the necessity of any of the following:

- Release of the balance of the items for issuance of SARO under the FY 2023 Programmed Appropriations
- Additional release from SPFs
- Approval of requests for modification in allotment
- Revision of plans/targets as reflected in the DBM-evaluated BEDs submitted by agencies





SPECIFIC GUIDELINES ON THE RELEASE OF FUNDS FOR FY 2023



OBLIGATIONAL AUTHORITIES SHALL BE RELEASED THROUGH:



- **GAAAO** - For Comprehensive Release (FCR) items
- **GARO/SARO** - For Issuance of SARO items

List of Expenditure Items for release through SARO

- P/A/Ps not in the NEP, subject to submission of revised/updated agency performance targets
- Special Purpose Funds subject to submission of SBR
- New P/A/Ps not existing in previous GAA, subject to the President's approval



DISBURSEMENT AUTHORITIES

❑ For Cash Disbursements

- Notice of Cash Allocation (NCA)

❑ For Non-cash Disbursement

- Non-Cash Availment Authority (NCAA)
- Cash Disbursement Ceiling (CDC)
- Tax Remittance Advice (TRA)
 - - issued by agencies to BIR



DISBURSEMENT AUTHORITIES

- ❑ NCA issuance subject to the agency submitted MDP and evaluated by the DBM



- ❑ Succeeding NCA issuance to cover regular operating requirements will be subject to submission of Monthly Report of Disbursements (FAR No. 4)

DISBURSEMENT

- ❑ Use of Advice to Debit Account
- ❑ If ADA is impracticable, MDS Checks may be used. However, its validity is shortened from 6 months to 3 months from date of issue.



NCA's FOR CREDITING

Regular MDS Sub-Accounts

- **Comprehensive NCA covering the quarterly regular cash requirements**
 - ✓ Specific monthly allocation to be credited on the 1st working day of each month
- **Other NCAs**
 - ✓ To be credited on the date of issuance of such NCA and on the 1st working day of the succeeding month, if any



Trust MDS Sub-Accounts

- ✓ To be credited on the date of issuance of such NCA

VALIDITY OF DISBURSEMENT AUTHORITIES

Regular MDS Sub-Accounts

- ✓ until the last working day of the 3rd month of the quarter covered

Trust MDS Sub-Accounts

- ✓ until the last working day of the year or December 31, 2023

Other Disbursement Authorities (CDC & NCAA) — from date of issuance until the last working day of the year or December 31, 2023



OTHER BUDGET AUTHORIZATION DOCUMENTS

Multi-Year Contractual Authority (MYCA)

- is the authority issued by the DBM to agencies, covering the full contract cost, for the procurement of multi-year projects
- shall be used as the basis in the certification of availability of funds required prior to contract execution
- funding requirements for subsequent years for projects covered by MYCA included in the NEP

OTHER BUDGET AUTHORIZATION DOCUMENTS

Purchase of motor vehicles as reflected in the FY 2023 GAA shall no longer require the issuance of APMV

- motor vehicles evaluated and included in the Confirmation Letter during budget preparation
- with the same number of vehicles to be procured, specification, unit cost, intended use/user

Confirmation Letter = APMV



Thank you!

The budget is not just a collection of numbers, but an expression of our values and aspirations.

- Jacob J. Lew, US Secretary of Treasury



Q and A Part

