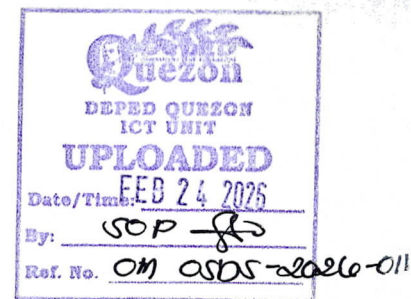




Republic of the Philippines
Department of Education
Region IV-A
SCHOOLS DIVISION OF QUEZON PROVINCE



24 February 2026

OFFICE MEMORANDUM
OSDS-2026- 011

GUIDELINES ON THE RELEASE OF FUNDS FOR FISCAL YEAR (FY) 2026

To: Assistant Schools Division Superintendents
Division Chiefs – CID & SGOD
Section/Unit Heads
All Others Concerned

For your guidance, attached is **DBM National Budget Circular No. 599** dated **January 5, 2026**, entitled “*Guidelines on the Release of Funds for Fiscal Year (FY) 2026.*”

For information and strict compliance.


ROMMEL C. BAUTISTA, CESO V
Schools Division Superintendent 

budcap02/24/2026

DEPEDQUEZON-TM-SDS-04-0010-005



Address: Sitio Fori, Brgy. Talipan, Pagbilao, Quezon
Contact No.s: (042) 784-0366 | (042) 784-0164 |
(042) 784-0391 | (042) 784-0321
E-mail Address: quezon@deped.gov.ph
Website: <https://quezon.deped.gov.ph>



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
GENERAL SOLANO STREET, SAN MIGUEL, MANILA



NATIONAL BUDGET CIRCULAR

No. 599
January 5, 2026

For : All Heads of Departments / Agencies / State Universities and Colleges (SUCs) and Other Offices of the National Government, including Commissions / Offices under the Constitutional Fiscal Autonomy Group (CFAG); Government-owned or -Controlled Corporations (GOCCs) and Local Government Units (LGUs) receiving budgetary support from the National Government; Budget Officers; Heads of Accounting Units; and All Others Concerned

Subject : **GUIDELINES ON THE RELEASE OF FUNDS FOR FISCAL YEAR (FY) 2026**

1.0 PURPOSES

- 1.1 To prescribe policies, procedures, rules and regulations on the release of funds in FY 2026 as authorized under **Republic Act (R.A.) No. 12314**, FY 2026 General Appropriations Act (GAA), Continuing Appropriations under **R.A. No. 12116** (FY 2025 GAA), as well as automatic appropriations.
- 1.2 To synchronize the release of funds with the implementation of the overall physical and financial plans, targets, and schedules submitted by the departments, agencies, and/or operating units (OUs).
- 1.3 To remind agencies of the timelines on the submission of budgetary and accountability reports.

2.0 COVERAGE

All departments, agencies, and OUs of the national government, including CFAG, SUCs, as well as GOCCs and LGUs receiving budgetary support from the national government from all sources of appropriations in FY 2026.

3.0 GENERAL GUIDELINES

- 3.1 The FY 2025 GAA is deemed re-enacted and remained in full force and effect until January 4, 2026. Thereafter, the FY 2026 GAA shall take effect and be implemented beginning January 5, 2026.
- 3.2 Consistent with the FY 2026 fiscal program as approved by the Development Budget Coordination Committee (DBCC), the aggregate allotment release program (ARP) for the year from all appropriation sources amounts to **P6.793 Trillion**.
 - 3.2.1 The total ARP of the national government shall be an amount equal to the aggregate of the following:
 - 3.2.1.1 The built-in appropriations of the national government agencies (NGAs) under the FY 2026 GAA;
 - 3.2.1.2 Special Purpose Funds (SPFs) under the FY 2026 GAA; and
 - 3.2.1.3 The **programmed level** of the automatic appropriations,¹ e.g., Retirement and Life Insurance Premiums (RLIP), Special Accounts in the General Fund (SAGFs), among others.
 - 3.2.2 In accordance with prudent fiscal management, taking into account programmed available financing sources (revenues, net proceeds from borrowing, cash balance) and subject to agency's absorptive capacity, unless supported with incremental adjustments in performance targets, items chargeable against the following appropriation sources shall be accommodated within the total ARP:
 - 3.2.2.1 Unprogrammed Appropriations (UA), FY 2026 GAA, net of vetoed purposes and the corresponding Special Provisions;
 - 3.2.2.2 Other automatic appropriations, such as **additional** RLIP, SAGFs, grant proceeds, among others; as well as
 - 3.2.2.3 Continuing Appropriations, FY 2025 GAA.

Hence, agencies are required to submit an updated Physical Plan or Budget Execution Document (BED) No. 2 indicating the adjustment in targets, in accordance with Section 3.9 hereunder.

3.2.3 Obligations incurred from January 1 to 4, 2026 shall be recorded as authorized overdraft in allotments in the Registry of Appropriations and Allotments, and shall not be considered on top of the FY 2026 ARP. These shall be obligated once the corresponding allotment for the purpose has been approved, subject to pertinent accounting and auditing rules and regulations in the recording of these budgetary accounts.

3.3 The validity of the following appropriations/allotments are as follows:

APPROPRIATION SOURCE	ALLOTMENT CLASS	RELEASE	OBLIGATION
FY 2026 GAA, R.A. No. 12314 (Programmed Appropriations)	Personnel Services (PS)	until December 31, 2026*	
	Maintenance and Other Operating Expenses (MOOE)	until December 31, 2027	
	Capital Outlays (CO)		
	Subsidies to GOCCs and LGUs, and Special Shares of LGUs in the Proceeds of National Taxes	until December 31, 2027	until fully expended
FY 2026 GAA, R.A. No. 12314 (Unprogrammed Appropriations)	MOOE	until December 31, 2026	until December 31, 2027
	CO		until fully expended
	Subsidies to GOCCs**		
FY 2025 GAA, R.A. No. 12116 (Continuing Appropriations)	MOOE	until December 31, 2026	
	CO		
	Subsidies to GOCCs and LGUs, and Special Shares of LGUs in the Proceeds of National Taxes	until December 31, 2026	until fully expended

APPROPRIATION SOURCE	ALLOTMENT CLASS	RELEASE	OBLIGATION
Automatic Appropriations	RLIP, PS portion of SAGF, Pensions of Former Presidents or their Surviving Spouses, Net Lending, Interest Payments, and Tax Expenditure Fund	until December 31, 2026	
	SAGF*** (MOOE and CO)		until December 31, 2027
	National Tax Allotment (NTA) and Annual Block Grant	until December 31, 2026	until fully expended
<i>*Including disbursement</i> <i>**Pertains to Purpose No. 2: Support to Foreign-Assisted Projects</i> <i>***Includes Grant Proceeds</i>			

- 3.4 In exceptional circumstances, payments for obligations incurred for authorized Personnel Services may be allowed within an extended payment period until March 31, 2027. In the case of MOOE and Capital Outlays, the delivery of goods and services, and the completion of construction of infrastructure projects, including inspection and acceptance, shall be made not later than December 31, 2027: Provided, That the payment thereof shall be made not later than two (2) years from the date of acceptance (**Section 77**, GPs of the FY 2026 GAA).
- 3.5 After the end of validity period, all unreleased appropriations, unobligated allotments, and obligated allotments for goods/services/projects not yet delivered, rendered, or completed, and accepted shall revert to the unappropriated surplus of the General Fund in accordance with Section 28, Chapter 4, Book VI of Executive Order (E.O.) No. 292² and shall not thereafter be available for expenditure except by subsequent legislative enactment. Departments, bureaus and offices of the national government, including Constitutional Offices enjoying fiscal autonomy, and SUCs shall strictly observe the validity of appropriations and the reversion of funds (**Section 77**, GPs of the FY 2026 GAA).
- 3.6 All funds transferred between NGAs, or by NGAs to GOCCs and vice versa, or by NGAs to LGUs shall not be considered disbursed by the source agency until the transferred amounts have been actually utilized to pay for completed construction, goods delivered and services rendered, inspected and accepted within the validity period. It is understood that transfer of funds shall strictly be in accordance with pertinent budgeting, accounting, auditing, and existing government procurement laws, rules, and regulations (**Section 77**, GPs of the FY 2026 GAA).

3.7 The **obligational authority for items of appropriations in the budget shall be released** through the following:

3.7.1 **GAA as the Allotment Order (GAAAO)** covering items not requiring compliance to some pre-conditions per **Schedule I**.

3.7.2 **Special Allotment Release Order (SARO) or General Allotment Release Order (GARO)**, which can be downloaded through the Action Document Releasing System (ADRS), for items not covered by GAAAO per **Schedule II**.

It is understood that increases in appropriations and new budgetary items introduced in the FY 2026 GAA shall be subject to the national government's cash programming, observance of prudent fiscal management, and compliance with applicable budget execution rules and procedures, and approval from the Office of the President, based on the programmed priorities of the government.

3.8 Release of funds in the FY 2026 GAA are made directly to the Regional Offices (ROs) and OUs of agencies where funds are specifically appropriated, except non-implementing units (**Section 80**, GPs of the FY 2026 GAA). An OU herein referred to is an organizational entity directly receiving fund release documents from DBM and capable of administering the same.

3.8.1 Funds specifically appropriated in the GAA to ROs or OUs of agencies shall be released directly to these ROs and OUs, except as otherwise requested by the agencies from the DBM.

3.8.2 Funds for **Centrally-Managed Items (CMIs)** or Lump-sum Appropriations in the agencies' budgets are those with recipient ROs or OUs and/or allocation in the GAA which are yet to be finalized by the Agency Central Office, and thus subject to issuance of SARO. Such CMIs shall be released directly to the RO or OU upon agency submission to DBM of a Special Budget Request (SBR), taking into consideration the applicable general and/or special provisions, and supported with the complete details of the activities or projects and the corresponding cost up to the lowest level, i.e., provincial, city or municipal, as the case may be (**Section 81**, GPs of the FY 2026 GAA).

3.9 Release of funds, i.e., Obligational Authority and/or Disbursement Authority, shall be in accordance with the targets set forth under the **DBM-evaluated BEDs consistent with the FY 2026 GAA**, prepared and submitted by agencies/OU through the Unified Reporting System (URS) pursuant to the provisions of DBM Circular Letter (CL) No. 2022-14.³

³ dated October 28, 2022 (Prescribing Guidelines for the Preparation and Submission of the Annual Budget Execution Plans Covering the Fiscal Year (FY) 2023 Budget and Thereafter)

All concerned are reminded of the following relative to BEDs:

- 3.9.1 The **Financial Plan (FP) or BED No. 1** shall be the basis for determining the obligation program of the agency, classifying the agencies/OUs' budgetary items according to budget release documents: a) GAAAO; and b) SARO/GARO.
- 3.9.2 The **Physical Plan (PP) or BED No. 2** shall serve as the overall physical plan of the department/agency/OUs and shall be updated to include changes in targets for increases and reduction in the amounts of existing P/A/Ps from NEP to GAA, as well as targets for new P/A/Ps in the GAA.
- 3.9.3 The **Monthly Disbursement Program (MDP) or BED No. 3** shall serve as the basis for the DBM's release of disbursement authorities including the comprehensive NCA. The MDP shall likewise be prepared for subsequent regular operating requirements of the agency.
 - 3.9.3.1 Additional NCAs, as may be required, shall be issued for items covered by SARO, as well as those pertaining to Current and Prior Year's obligations (i.e., Accounts Payable [APs] / due and demandable obligations and Not Yet Due and Demandable Obligations [NYDDO]).
 - 3.9.3.2 Other disbursement authorities, i.e., Tax Remittance Advice (TRA), Non-Cash Availment Authority (NCAA), Cash Disbursement Ceiling (CDC), may be issued for agency specific budgets.
- 3.10 Agencies concerned shall expedite the issuance of guidelines upon which appropriations in the GAA are conditioned for implementation, pursuant to the Special Provisions in the specific budgets of said agencies.
- 3.11 In addition, agencies are reminded that agency-specific funds for the purchase of motor vehicles for FY 2026 as reflected in the FY 2026 GAA **shall no longer require the issuance of another Authority to Purchase Motor Vehicles (APMV)** by the DBM. This policy covers motor vehicles with the same number, specifications, maximum allowable cost, and intended use/user indicated in the **APMV attached to the confirmation letters issued by the DBM** to the agencies during budget preparation.
- 3.12 Pursuant to **Section 87**, GPs of the FY 2026 GAA, the general rule is that departments, bureaus and offices of the National Government, including Constitutional Offices enjoying fiscal autonomy and SUCs shall spend their respective programmed appropriations.

However, in exceptional circumstances, **issued allotments within an activity or project may be modified** upon timely submission of reports by all offices concerned, and **subject to approval by the designated authority**. The existence of an allotment class, object of expenditure, or operating unit in the said P/A/P is not necessary for purposes of modification.

3.12.1 **Modification** refers to any change in the details of an activity or project without changing its nature and within the same operating unit; change in object of expenditure within an allotment class; modifications from one allotment class to another; from one operating unit to another; and payment of intelligence funds within the executive branch.

3.12.2 Modification covering allotments for MOOE and CO shall not entail any increase in the total amount appropriated for an activity or project. In the case of programs with several activities, modification may be done only within each activity.

3.12.3 The following expenditures to cover PS requirements, are **not considered** as forms of modification:

3.12.3.1 Payment of deficiencies in authorized personnel benefits which may be covered by any available allotment for PS within said department or agency, pursuant to **Section 60**, GPs of the FY 2026 GAA.

3.12.3.2 Payment of magna carta benefits for which the DBM guidelines relative thereto shall be observed, pursuant to **Section 66**, GPs of the FY 2026 GAA.

3.12.3.3 Payment of **Collective Negotiation Agreement (CNA) Incentive**, subject to **Section 89**, GPs of the FY 2026 GAA.

3.13 **Savings** as defined under **Section 84**, GPs of the FY 2026 GAA, refer to portions or balances of any released appropriations in the FY 2026 GAA which have not been obligated as a result of any of the following conditions:

3.13.1 Completion, final discontinuance, or abandonment of a program, activity or project for which the appropriation is authorized.

In case the declaration of savings is based on final discontinuance or abandonment, such discontinued or abandoned program, activity, or project cannot be proposed for funding in the next two (2) fiscal years, i.e., 2027 and 2028.

3.13.2 Implementation of measures resulting in improved systems and efficiencies and thus enabled an agency to meet and deliver the required or planned targets, programs, and services approved in the FY 2026 GAA at a lesser cost.

3.13.3 Savings may be used to augment actual deficiency/ies incurred for the current year in any existing item within the respective appropriations of each authorized constitutional officer cited in **Section 83**, GPs of the FY 2026 GAA. The existence of an activity or project regardless of the availability of allotment class/es is sufficient for the purpose of augmentation (**Section 85**, GPs of the FY 2026 GAA).

3.13.3.1 In the use of savings, priority shall be given to the payment of compensation, year-end bonus and cash gift, retirement gratuity, terminal leave benefits, old-age pension of veterans, and other personnel benefits authorized by law, and under the FY 2026 GAA, including the payment of CNA incentives (**Section 86**, GPs of the FY 2026 GAA).

3.13.3.2 Agencies are reminded that payment for Monetization of Leave Credits (MLCs) cannot be used to justify subsequent requests for PS deficiency.

3.14 **Augmentation** is the act of the constitutional officers authorized to use savings in their respective appropriations to cover actual deficiencies in any existing item of appropriation within their respective offices in the current year (**Section 85**, GPs of the FY 2026 GAA). An item of appropriation refers to the amount appropriated for an activity or project authorized in the FY 2026 GAA.

3.14.1 The following guidelines shall be observed in the use of savings for purposes of augmentation of deficient items of appropriations:

3.14.1.1 A **deficiency in an item of appropriation** occurs when following conditions exist:

- Unforeseen modifications or adjustments in the P/A/P; or
- Re-assessment in the use, prioritization and/or distribution of resources.

3.14.1.2 Augmentation is subject to the approval by the constitutional officers identified under **Section 83**, GPs of the FY 2026 GAA, as well as item 5.1.2 of this NBC.

3.15 The following agencies which are included in Table B.15 of the FY 2026 BESF are **authorized by specific laws to utilize income collections accruing to their SAGFs** to cover their operating requirements. With this funding source, these specific agencies are provided minimal budget support in the GAA since their requirements are charged against their income collection, subject to the usual budgeting rules and regulations:

3.15.1 Department of Finance (DOF) – Insurance Commission (IC) – PS, MOOE, and CO;

3.15.2 Department of Transportation (DOTr) – Office for Transportation Security (OTS) – PS and MOOE; and

3.15.3 Department of Justice (DOJ) – Land Registration Authority (LRA) – MOOE and CO.

3.16 Agencies, pursuant to their respective mandates, are authorized to collect fees and use said proceeds for the conduct of the following specific activities:

3.16.1 Seminar, conference, training, and oath-taking activities from government and private agency participants (**Section 13**, GPs of the FY 2026 GAA).

3.16.2 Sale of official publications, to defray the cost of preparing, printing, and disseminating such official publications (**Section 14**, GPs of the FY 2026 GAA).

The proceeds in excess of the actual cost of implementing these aforecited activities shall be deposited with the National Treasury as income of the General Fund, pursuant to Section 44, Chapter 5, Book VI of E.O. No. 292.

Agencies which do not have sufficient appropriations in their budget for the purpose, i.e., conduct of seminar, conference, training, and oath taking activities and/or sale of official publications, may use such proceeds subject to budgeting, accounting, and auditing rules and regulations.

3.17 Timelines

- 3.17.1 **November 16, 2026** — deadline for submission to the DBM of all agency request/s requiring issuance of obligational and disbursement authorities, as well as other similar approvals and authorizations.
- 3.17.2 In accordance with Item 4.3 of COA-DBM Joint Circular (JC) No. 2019-1,⁴ the following reporting requirements shall be observed:
- 3.17.2.1 **Within thirty (30) days after the end of each quarter** — submission of the Budget and Financial Accountability Reports (BFARs) by program, activity or project, pursuant to **Section 109**, GPs of the FY 2026 GAA.
- 3.17.2.2 **Within 30 days after the end of the year** – Aging of Unpaid Obligations (FAR No. 3).
- 3.17.2.3 **On or before the tenth (10th) day of the month immediately following the covered period** – Monthly Report of Disbursements (MRD), using Financial Accountability Report (FAR) No. 4.
- 3.17.3 The agency/ies shall submit a semi-annual report to DBM, consistent with Section 56, Chapter 6, Book VI of E.O. 292, and as prescribed on the recalibrated existing timelines/calendar for the conduct and evaluation of Agency Performance Review (APR) under Item 4.20 of DBM Circular Letter No. 2025-2:⁵
- 3.17.3.1 **February 16 and 28, 2026** – submission of Annual APR by the applicable departments/agencies directly to the DBM Regional Offices and the DBM Central Office.
- 3.17.3.2 **August 7 and 20, 2026** – submission of Mid-year Self-Assessed Financial and Physical Performance (SAFPP) Tool covering **January to June** of the current year by the applicable departments/agencies to the DBM Regional Offices and to DBM Central Office.

Departments/agencies are required to implement the transparency provisions pursuant to **Sections 12, 111 and 112**, GPs of FY 2026 GAA and E.O. No. 2, s. 2016.⁶

⁴ dated January 1, 2019 (Updated Guidelines Relative to Budget and Financial Accountability Reports [BFARs] Starting FY 2019)

⁵ dated February 10, 2025 (Guidelines for the Conduct of Agency Performance Reviews [APR] Covering Fiscal Year [FY] 2024 and Years Thereafter)

⁶ dated July 23, 2016 (Operationalizing in the Executive Branch the People's Constitutional Right to Information and the State Policy to Full Public Disclosure and Transparency in the Public Service and Providing Guidelines Therefor)

4.0 SPECIFIC GUIDELINES

4.1 Release of Obligational Authorities

4.1.1 GAA items shall be classified according to obligational authorities, as follows:

4.1.1.1 **GAAAO**

- P/A/Ps in the GAA not requiring compliance to some pre-conditions for release; and
- Other agency budgets which have already complied with certain requirements for release, if any.

List of items covered by GAAAO are enumerated in **Schedule I**, with details provided in the following annexes:

- **Annex A** — Summary of Appropriations by Agency/GOCC under GAAAO
- **Annex A-1** — Summary of Funds for Direct Release to Implementing Agencies under GAAAO

4.1.1.2 **For Issuance of SARO (FISARO)**

- Items requiring compliance with certain pre-conditions in accordance with applicable laws, including but not limited to those stated in the General and Special Provisions of the FY 2026 GAA, and under existing rules and regulations. Thus, agencies are required to submit an SBR and other budgetary requirements, as applicable.
- Increases in appropriations and new budgetary items in the FY 2026 GAA, subject to submission of SBR, approval from the Office of the President and submission of revised performance targets pursuant to the President's Veto Message (Item VI. Increases in Appropriations and New Budgetary Items, Page 724, Volume I-B, R.A. 12314).

Furthermore, agency heads must observe the following evaluation parameters for new budgetary items:

- a. Alignment with the Philippine Development Plan (PDP) 2023-2028 Midterm Update. including

prior approvals from pertinent approving authorities and interagency committees, such as the Economy and Development (ED) Council or the Investment Coordination Committee (ICC), as may be applicable, among others;

- b. Shovel/implementation-readiness of new P/A/Ps must be demonstrated through concrete program and/or procurement plans to ensure timely completion within the validity period and minimize opportunity costs. Additionally, location and beneficiaries should be clearly identified;
- c. Utilization of agency budgets must be sustained, i.e., not lower than 85%, as low absorptive capacity in the preceding reporting period indicates reduced capacity to effectively manage additional funds; and
- d. Tight fiscal position shall be considered, ensuring that limited resources are allocated toward the critical priorities and that the deficit remains manageable in accordance with the National Government's fiscal consolidation strategy under the updated Medium-Term Fiscal Framework. Hence, ranking of priorities shall be considered as an indicator of the agency's strategic focus and policy thrust in relation to the corresponding P/A/Ps.

List of items covered by FISARO are enumerated in **Schedule II**, with details as provided in the following annexes:

- o **Annex B** — Summary of Appropriations by Agency by Program, Activity and Project for Issuance of SARO
- o **Annex B-1** — Summary of Funds for Direct Release to Implementing Agencies for Items Covered by SARO

When covered with the pertinent special provisions in the GAA, appropriations under an agency which are authorized to be released directly to another, as implementing agency, **shall no longer require the issuance of SARO/s for memo entries.**

4.1.2 Automatic Appropriations shall be subject to the issuance of SARO/GARO. Automatically appropriated items are enumerated in **Schedule II**, with details as provided in the following annexes:

- **Annex C** — Summary of Automatic Appropriations by Agency (Full Year Allocation, Release through GARO for RLIP or SARO for Agencies which are Authorized to Use their Collection at the Beginning of the Year)
- **Annex D** — Summary of Automatic Appropriations by Agency for Issuance of SARO

4.2 Disbursement Authorization Documents

4.2.1 **Notice of Cash Allocation (NCA)**

4.2.1.1 An **initial comprehensive NCA** shall be issued directly to the OUs (through the Bureau of the Treasury [BTr] in case of subsidized GOCCs and LGUs), covering one quarter (January to March) operating cash requirements including RLIP but excluding provision for current and prior years' obligations (due and demandable APs and NYDDO).

In the case of National Tax Allotment (NTA) and Annual Block Grant for the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM), NCAs covering the full year requirement shall be issued.

4.2.1.2 **Succeeding comprehensive NCAs** shall be issued to cover the requirements for the rest of the quarters, consistent with the full-year DBM-evaluated MDP based on GAA level, subject to actual agency disbursement performance and national government fiscal position.

4.2.1.3 **Additional NCAs** shall be issued for the following, subject to determination by the DBM of NCA balances under the agencies' Modified Disbursement System (MDS) Sub-Accounts:

- Items subject to issuance of SARO (including, but not limited to, releases from SPFs, CMIs without details, other automatically appropriated items, and availment of Working Fund), as may be required;

- Items requiring additional cash allocations, such as APs as reflected in their FAR No. 3, which can no longer be accommodated within the common fund.

Under the Common Fund System, to optimize the use of the available NCAs under the Regular MDS Sub-Account, NCAs released to agencies under this account can be used to cover payment of both current year and prior years' APs due to all creditors (external and internal) included under FAR No. 3. It is understood that payment of mandatories, i.e., PS, MOOE, and CO requirements, shall take precedence over APs in the utilization of the NCAs received. **Only when the mandatory requirements are satisfied, can the payment of APs be charged against the available NCAs.**

4.2.1.4 For Infrastructure Projects,⁷ all agencies, including GOCCs and LGUs, are required to submit a certification in the form provided in **Attachment I**, in support of the request for the release of NCA for APs or Due and Demandable Obligations.

4.2.1.5 All agencies are advised to use the **Advice to Debit Account (ADA)** to settle payables pursuant to the updated guidelines provided under DBM CL 2018-14.⁸

4.2.1.6 **Crediting and Validity Periods for NCAs**

- NCAs shall be issued to the three (3) Authorized Government Servicing Banks (AGSBs), namely, Land Bank of the Philippines (LBP), Development Bank of the Philippines (DBP), and Philippine Veterans Bank (PVB).
- MDS sub-accounts shall be maintained at the three (3) AGBSs, with the following periods of crediting and validity for NCAs issued:

⁷ As defined under Section 5 (o) of Republic Act No. 12009, Infrastructure Projects include the construction, improvement, rehabilitation, demolition, repair, restoration, or maintenance of roads and bridges, railways, airports, seaports, communication facilities, civil works components of information technology projects, irrigation, flood control and drainage, water supply, sanitation, sewerage and solid waste management systems, shore protection, energy/power and electrification facilities, national buildings, buildings, hospital buildings, and other related construction projects of the government.

⁸ dated December 28, 2018 (Updated Guidelines in the Implementation of the Modified Direct Scheme [MDPS] Due Creditors/Payees of All National Government Agencies)

MDS SUB-ACCOUNT	PARTICULARS	CREDITING	VALIDITY
Regular MDS	Comprehensively released NCAs for their regular operations and other/additional NCAs, including APs	The date of issuance of such NCA, and on the first working day of the succeeding months, as applicable	Last working day of the 3rd month of the quarter covered
	Retirement gratuity/terminal leave benefits		
MDS of SAGF	SAGF		
MDS for Foreign Assisted Projects (FAPs) pursuant to NBC No. 581 ⁹	Foreign loans and grants	The date of issuance of such NCA	Until the last working day of the year
	Government of the Philippines (GOP) counterpart funds		
Trust MDS	Trust		

- To ensure that no delay is encountered in the implementation of FAPs, the validity of the GOP Counterpart shall be until the last working day of the year to synchronize its availability with that of the Loan Proceeds.
- It is understood that the crediting of all NCAs issued is based on the Monthly Requirement Schedule.

4.2.2 Other Disbursement Authorities issued during the year shall be valid from date of issuance until the last working day of the year.

4.2.2.1 The **NCAA**, which can be downloaded through the ADRS pursuant to CL No. 2022-10,¹⁰ for the cash equivalent of grant/loan proceeds availed of through

⁹ dated December 27, 2020 (Clarificatory Guidelines and Procedures Applicable to Foreign-Assisted Projects following the Cash Budgeting System and Treasury Single Account Framework)

¹⁰ dated August 16, 2022 (Implementation of Online Release of Forward Obligation Authority [FOA], Multi-Year Contractual Authority [MYCA], Cash Disbursement Ceiling [CDC], and Non-Cash Availment Authority [NCAA] through the Action Document Release System [ADRS])

direct payment/supplier's credit/constructive cash, shall be issued by DBM subject to agency compliance with the conditions specified under DBM-COA-DOF JC 2-97,¹¹ CL No. 2003-12,¹² and NBC No. 581. Agencies shall ensure that requests for the issuance of NCAA submitted to DBM are supported by the following documentary requirements:

- Special Budget Request (SBR);
- Photocopy of the Application for Withdrawal or Request for Disbursement (RFD) or equivalent document covering the amount requested;
- Certified list of allotments and corresponding obligations incurred for the specific foreign loan/grant-assisted project against which the disbursements shall be applied;
- Details of disbursements expressed both in peso and equivalent foreign currency as indicated in the application;
- Certification from the BTr on the peso value of the amount paid to the supplier/contractor/consultant; and
- Certificate of Acceptance when the project is completed.

To ensure consistency in the recording of loan/grant availments by both the BTr, the availing agency and the DBM, implementing agencies shall regularly coordinate with the BTr on the actual availments to be reflected in the BTr's monthly Cash Operations Report (COR) and with the DBM for the issuance of the corresponding NCAA on the fund liquidation.

- 4.2.2.2 The **CDC**, which can be downloaded through the ADRS pursuant to CL No. 2022-10, is issued by DBM to the Department of Foreign Affairs (DFA) and DMW to utilize their income collected/retained by the Foreign Service Posts (FSPs) to cover their operating requirements, **but not to exceed the released allotment to the said post**. The agency shall submit

¹¹ dated March 21, 1997 (Revised and Updated Budgeting and Accounting Guidelines and Procedures Applicable to FAPs Implemented by NGAs and GOCCs)

a request for issuance of CDC, supported with the following:

- Accountability reports as consolidated by the DFA or DMW Home Office i.e., FSP Monthly Report of Income;
- BTr certification on actual income collected; and
- Certified list of allotments and corresponding obligations incurred for the specific funds against which the disbursements shall be applied.

FSPs shall request for the issuance of CDCs for the utilization of retained income from DBM, as support to their reported retained income, to ensure consistency in the books of the agency and DBM, as well as BTr's monthly COR.

5.0 OTHER PROCEDURAL GUIDELINES

5.1 Approving Authorities

5.1.1 Modification in Allotments

5.1.1.1 Agency Heads or their duly authorized representatives, and in case of the latter, subject to the following: (i) considered as the official next-in-rank; and (ii) with express/written delegation from the heads of agencies:

- Change in the details of an activity or project without changing its nature and within the same OUs;
- Change in the object of expenditure (e.g., Travelling Expenses, or Investment Outlays) within an allotment class (MOOE or CO); and
- **Use of MOOE for the payment of CNA incentive**, during the validity of appropriations (**Section 89 (d)**, GPs of the FY 2026 GAA) as an exemption on the modification of allotment where the DBM is the approving authority in case of change in allotment class.

The modification in allotments shall be supported by:

- An accomplished **Modification Advice Form (MAF) (Attachment II)** duly signed by the approving authority or his designated representative.
- Adjusted Registry of Allotments and Obligations and accountability reports to be submitted to DBM, i.e., Statement of Appropriations, Allotments, Obligations, Disbursements and Balances (SAAODB).

5.1.1.2 The **DBM** for:

- From one allotment class to another;
- From one OU to another; and
- For the payment of newly-authorized Magna Carta Benefits not otherwise appropriated.

The modification of allotments shall be supported with:

- SBR;
- Latest FAR No. 1 and FAR No. 1-A to show balances per object of expenditure;
- BED No. 1, as revised;
- BED No. 2, as applicable;
- Justification for the proposed modification; and
- Certification of Actual Deficiency and Sources of Funds signed by the Budget Officer, identifying the affected P/A/Ps and objects of Expenditure ("From" and "To") (**Attachment III**).

5.1.1.3 **The President of the Philippines** for the payment of intelligence funds within the Executive Branch.

5.1.2 **Use of Savings for Augmentation of Deficient P/A/Ps.** The use of savings to augment deficient P/A/Ps shall be subject to approval by the authorized constitutional officers cited in **Section 83**, GPs of the FY 2026 GAA, as follows:

5.1.2.1 The President of the Philippines for the Departments/ Agencies under the Executive Branch;

5.1.2.2 The President of the Senate and the Speaker of the House, for the Congress of the Philippines;

5.1.2.3 The Chief Justice of the Supreme Court, for the Judiciary; and

5.1.2.4 Heads of the Civil Service Commission (CSC), Commission on Audit (COA), and Commission on Elections (COMELEC).

5.1.3 **Use of Available PS Allotment for frontloading to cover PS deficiency.** Pursuant to **Section 60**, GPs of the FY 2026 GAA, should there be deficiency in PS and frontloading shall be resorted to, any available PS allotments may be utilized by department/agency subject to the approval of the Agency Head, based on the following:

5.1.3.1 **Advice for Use of PS Allotment (APSA) (Attachment IV)** duly accomplished and signed by the Agency Head or his designated representative. In the case of SUCs, the approving authority shall be the President of SUC as Agency Head, unless approval of the Board is necessary as required in the respective charter of SUCs; and

5.1.3.2 **Registry of Allotments and Obligations for PS (RAOPS)** reflecting said adjustments and reported in the accountability reports to be submitted to DBM, i.e., SAAODB.

5.2 **Use of PS Appropriations**

5.2.1 Department or Agency Specific Appropriations for PS

Consistent with **Section 60**, GPs of the FY 2026 GAA, the appropriations for PS shall be used for the payment of Authorized Personnel Benefits to be given to National Government employees, to wit:

- o Basic Salaries, including Step Increments;

- Standard Allowances and Benefits, which shall be limited to the following:
 - Personnel Economic Relief Allowance;
 - Uniform or Clothing Allowance;
 - Medical Allowance for Civilian Government Personnel; and
 - Year-End Bonus and Cash Gift.

- Specific-Purpose Allowances and Benefits, limited to the following:
 - Representation and Transportation Allowances;
 - Per Diem;
 - Honoraria;
 - Night-Shift Differential;
 - Overtime Pay;
 - Subsistence Allowance;
 - Hazard Pay;
 - Special Counsel Allowance;
 - Overseas and Other Allowances for Government Personnel Stationed Abroad; and
 - Other allowances and benefits as may be authorized by law or the President of the Philippines.

- Incentives, which refer to the following:
 - Loyalty Incentive;
 - Anniversary Bonus;
 - Productivity Enhancement Incentive;
 - Performance-Based Bonus;
 - Mid-year Bonus; and
 - Other existing benefits as may be categorized by DBM as incentives.

- Magna Carta Benefits as authorized by law and its Implementing Rules and Regulations; and

- Personnel benefits for military and uniformed personnel as authorized by law or the President of the Philippines.

5.2.2 Available PS allotments released to the department or agency at the start of the year shall be used for the (i) original purpose of appropriations; and (ii) PS deficiencies in Authorized Personnel Benefits such as:

- 5.2.2.1 Deficiency in Magna Carta Benefits, subject to approval by the DBM Secretary for: (i) additional recipients arising from newly issued certifications or hiring of new

- employees; (ii) valid adjustments due to inadvertent omission or erroneous encoding in the System;
- 5.2.2.2 Award of Back Pay for cases with final and executory decision of a competent authority such as courts, CSC, and COA;
 - 5.2.2.3 Deficiency in specific-purpose allowances and benefits, such as Overtime Pay, Honoraria, and Representation and Transportation Allowance, among others, subject to existing conditions in the grant of such benefits;
 - 5.2.2.4 Any deficiency in authorized compensation and personnel benefits of civilian employees and Military/Uniformed Personnel that may be determined during the year. Since PS benefits are mandatory in nature, **actual services rendered or benefits allowed in prior years shall not be categorized as unbooked obligations;** and
 - 5.2.2.5 Deficiency in the reclassification of faculty positions pursuant to NBC No. 461¹³ and DBM-CHED JC No. 3, s. 2022.¹⁴
- 5.2.3 The available PS allotments referred under item 5.2.2 may be realized from unspent compensation of employees due to the following:
- 5.2.3.1 Incurrence of leaves of absence without pay;
 - 5.2.3.2 Vacant positions on account of termination, resignation, transfer, retirement or separation;
 - 5.2.3.3 Delay in the actual assumption of duty from the date of appointment;
 - 5.2.3.4 Suspension and other disciplinary sanctions;
 - 5.2.3.5 Inadvertent errors in computations of PS benefits; or
 - 5.2.3.6 Other similar instances.

¹³ dated June 1, 1998 (Revising and Updating the Compensation and Position Classification Plan for Faculty Positions Embodied in National Compensation Circular [NCC] No. 69)

¹⁴ dated October 18, 2022 (Guidelines on the Reclassification of Faculty Positions in State Universities and Colleges [SU/Cs])

5.2.4 The following limitations in the use of available released PS allotments/appropriations shall be observed:

5.2.4.1 Released allotments which cannot be reallocated to other object of expenditures under PS:

- o RLIP; and
- o SAGFs, except if expressly authorized in the law creating them.

5.2.4.2 Available released allotments for PS cannot be used to pay CNA Incentives.

6.0 SEPARABILITY CLAUSE

If any part or provision of this Circular is held invalid or unconstitutional, other provisions not affected thereby shall remain in force and effect.

7.0 REPEALING CLAUSE

All provisions of existing circulars and other issuances inconsistent with this Circular are hereby rescinded/repealed and/or modified accordingly.

8.0 EFFECTIVITY

This Circular shall take effect immediately.


ROLANDO U. TOLEDO
Acting Secretary





REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
GENERAL SOLANO STREET, SAN MIGUEL, MANILA

Schedule I of NBC No. 599 dated January 5, 2026

GAA Items released through GAA as the Allotment Order (GAAAO)

- 1.0 For Personnel Services (PS)
 - 1.1 Release of the full amount of the approved budget per GAA pertaining to filled positions of NGAs;
 - 1.2 Lump-sum for PS under Agency Specific Budget:
 - 1.2.1 Provision for unfilled position:
 - 1.2.1.1 For CFAG agencies — 100%; and
 - 1.2.1.2 For the rest of NGAs — the deficiency to cover the full year requirement for filled positions which were reported vacant positions in the Government Manpower Information System as of the prescribed cut-off date.
 - 1.2.1.3 PS allotments may be used by the agency to fund the filling up of vacant positions during the year. In case of deficiency in PS allotments, agencies may later submit to DBM, request(s) for release of additional allotments, to be charged against the available agency PS lump-sum, if applicable, and/or the Miscellaneous Personnel Benefits Fund (MPBF).
 - 1.2.2 Terminal Leave/Retirement Gratuity (TL/RG) of compulsory retirees of departments/agencies;
 - 1.2.3 The following lump-sum funds under the budget of the DepEd, the obligation of which, shall be subject to compliance with certain documentary requirements:
 - 1.2.3.1 Reclassification of Positions; and
 - 1.2.3.2 Special Hardship Allowance.

- 2.0 For Maintenance and Other Operating Expenses (MOOE) (including Financial Expenses [FinEx]) and Capital Outlays (CO)
 - 2.1 P/A/Ps in the GAA not requiring compliance to some pre-conditions for release, except those enumerated in Schedule II;
 - 2.2 Release of the full amount through GAAAO consistent with the agency formulated Financial Plan (FP). This includes provisions for the following, among others:
 - 2.2.1 Lump sum for Teaching Allowance;
 - 2.2.2 CMIIs of agencies concerned, if already disaggregated per agency FP;
 - 2.2.3 Quick Response Fund (QRF) under the budgets of (i) DA-OSEC; (ii) DepEd-OSEC; (iii) DENR-MGB; (iv) DOH-OSEC; (v) DILG-BFP; (vi) DILG-PNP; (vii) DND-OCD; (viii) DPWH-OSEC; (ix) DSWD-OSEC; (x) DOTr-PCG; (xi) BSGC-DHSUD-NHA; and (xii) BSGC-OEO-NIA;
 - 2.2.4 Provisions for Supplies, Materials and Office Equipment, subject to submission of FY 2026 Annual Procurement Plan for Common-Use Supplies and Equipment (APP-CSE) and conditions in incurring obligations per DBM CL No. 2013-14;¹⁵
 - 2.2.5 Right-of-Way (ROW) acquisitions, engagement of Independent Consultants, variation orders, cash subsidy, feasibility studies, advance works improvements, ROW expenses through the Public-Private Partnership (PPP) Strategic Support Fund;
 - 2.2.6 The following funds under the budget of specific departments/agencies, the obligation of which, shall be subject to compliance with certain documentary requirements:
 - 2.2.6.1 Communication equipment, subject to prior clearance from the National Telecommunications Commission;
 - 2.2.6.2 Firearms, subject to prior approval of PNP;
 - 2.2.6.3 Research and development projects in agriculture and fisheries, natural, technological and engineering sciences, consistent with the DA's or DOST's respective master plans on the priority research programs and projects to be implemented;

¹⁵ dated November 29, 2013 (Reiterating the Submission of Annual Procurement Plan for Common Use Supplies and Equipment [APP-CSE])

- 2.2.6.4 Books to be procured by agencies, other than schools and the National Library of the Philippines (NLP), exceeding the authorized five (5) copies per title, subject to prior approval from DBM;
 - 2.2.6.5 Grants, subsidies and contributions, subject to submission of details indicating the purpose, amount for each beneficiary, and the complete list of recipients, among others; and
 - 2.2.6.6 ICT-related expenditures, in accordance with the agency's Information Systems Strategic Plan (ISSP), subject to compliance with the rules and regulations issued by the DICT, as well as other guidelines issued by the MITHI Steering Committee.
- 2.3 Contributions to International Organizations under MOOE, in compliance with various agreements with the Philippines as a signatory;
 - 2.4 Confidential Funds (net of increases in the FY 2026 GAA);
 - 2.5 Modifications in appropriations due to COA Circular No. 2022-004;¹⁶
 - 2.6 Other agency budgets which have already complied with certain requirements for release;
 - 2.7 Budgetary support to GOCCs (net of increases in the FY 2026 GAA) which shall still be released through the BTr in accordance with MOF-MOB-COA Joint Circular No. 1-82;¹⁷ and
 - 2.8 Allocations to Metropolitan Manila Development Authority (MMDA) (net of increases in the FY 2026 GAA).

¹⁶ Dated May 31, 2022 (Guidelines on the Implementation of Section 23 of the General Provisions of Republic Act [RA] No. 11639 also known as the General Appropriations Act [GAA] for Fiscal Year [FY] 2022 relative to the increase in the capitalization threshold from P15,000.00 to P50,000.00)

¹⁷ dated January 4, 1982 (Policy Guidelines and Procedures in Accounting and Reporting for the Subsidy Contributions, Equity



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
GENERAL SOLANO STREET, SAN MIGUEL, MANILA

Schedule II of NBC No. 599 dated January 5, 2026

Items For Release through SARO/GARO

1.0 For issuance of SARO/GARO for the following appropriation items not requiring submission of SBR:

1.1 **GAA items through SARO**

Initial release of one-fourth of the full year program for pension for the following, chargeable against the Pension and Gratuity Fund (PGF):

- 1.1.1 AFP retirees and war/military veterans of the DND-GHQ and Philippine Veterans Affairs Office (PVAO);
- 1.1.2 Retired Uniformed personnel of DILG (BFP, BJMP, PNP including Philippine Constabulary – Integrated National Police);
- 1.1.3 DENR-NAMRIA;
- 1.1.4 DOTr-PCG; and
- 1.1.5 Other retirees whose pensions are funded by the national government, i.e., DOJ-OSEC (for the National Prosecution Service), LRA, OSG, OGCC, PAO, NLRC, PRC, and ERC.

1.2 **Automatically Appropriated Items**

Full Year Allocation

- 1.2.1 RLIP through GARO for all agencies including MMDA;
- 1.2.2 Through SARO for:
 - 1.2.2.1 NTA of provinces, cities, municipalities, and barangays;
 - 1.2.2.2 Annual Block Grant for BARMM; and
 - 1.2.2.3 Pensions of Former Presidents or their Surviving Spouses.

2.0 For issuance of SARO for the specified appropriation items that require submission of SBR together with the revised/updated agency performance targets and other documentary requirements to be submitted to DBM, as applicable:

2.1 GAA items

2.1.1 For CMIs or lump-sum appropriations under the agency budgets, agencies shall submit the SBR, which should include:

2.1.1.1 A list of specific Operating Units (OUs) that will implement the project;

2.1.1.2 The amount allocated to each OU with details on the activities or projects (e.g., Basic Educational Facilities); and

2.1.1.3 A breakdown of corresponding costs down to the lowest level, i.e., provincial, city, or municipal, as applicable.

2.1.2 For new P/A/Ps, submission and/or compliance with the following additional requirements is required:

2.1.2.1 Details covering the project or program which include agency certification that the project can be implemented within the validity of the appropriation, is consistent with its mandate and is aligned with government priorities for the fiscal year;

2.1.2.2 Project Profile, to include description, location, identification of implementing entity/unit, scope of work and estimated cost per project component;

2.1.2.3 For infrastructure and non-infrastructure projects (e.g. construction/rehabilitation/repair of building and other structures), certification/clearances from appropriate government agencies must be secured before the implementation of the project/activity:

- o DPWH – for building structural integrity/ resiliency; signed picture of geo-tagged actual location of project/activity, etc.; and

- o DENR – for Environmental Clearance.

- 2.1.2.4 For infrastructure projects of State Universities and Colleges (SUCs), the submission of a Land Use Development and Infrastructure Plan (LUDIP) in accordance with Republic Act No. 11396.¹⁸
- 2.1.2.5 For infrastructure projects to be implemented by the DPWH itself or other implementing units such as but not limited to the AFP Corps of Engineers, other government agencies and LGUs as may be delegated to them, pursuant to Special Provision No. 14 of the DPWH Budget under the FY 2026 GAA:
- Certification by the Department Secretary that the detailed list of infrastructure projects is already implementation-ready as vetted by the Regional Office or the District Engineering Office, as the case may be and endorsed by the Regional Development Council concerned to ensure alignment with regional priority plans and programs;
 - Commitment from the head of the recipient/beneficiary agency/LGU to fund the cost of the maintenance and repairs of the project/activity upon turnover;
 - Certification from the head of the recipient/beneficiary agency/LGU that the project/activity is not funded from other sources; and
- 2.1.2.6 Approval from the Office of the President.
- 2.1.3 Increases in appropriations, including Confidential Funds;
- 2.1.4 Other Budgetary items in the Special Provisions of NGA which require compliance to some pre-conditions;
- 2.1.5 Intelligence Funds;

¹⁸ dated August 22, 2019 (An Act Requiring State Universities and Colleges [SUCs] to Prepare and Implement a Land Use Development and Infrastructure Plan that Shall Include the Construction of Dormitories for Students and Housing Sites for Employees)

2.1.6 Eligible expenditures for charging against multi-user SPFs (e.g. Contingent Fund [CF], MPBF, PGF, National Disaster Risk Reduction and Management Fund [NDRRMF], Revised AFP Modernization Program [RAFPMP]) consistent with the Special Provisions of the respective SPF:

2.1.6.1 **CF** shall cover the funding requirements of new or urgent activities or projects of NGAs, GOCCs and LGUs that need to be implemented or paid during the year, e.g., legal obligation of the National Government arising from final and executory decisions of competent authority, operating requirements of newly created offices, or deficiencies in the appropriations for local and external travels of the President of the Philippines, etc.

In no case shall this Fund be used for: (i) the provision of confidential and intelligence funds to civilian departments and agencies with no mandate to perform security and intelligence-related functions unless the President certifies as to the extreme necessity thereof, or (ii) the purchase of motor vehicles, including any improvements thereon.

2.1.6.2 **PGF** shall be used to fund the following:

- Pension requirements including total administrative disability (TAD) arrears to surviving heirs of deceased veterans, pursuant to R.A. No. 6948, as amended by R.A. No. 7696, subject to COA's validation of the list of claimants;
- TL/RG benefits of **optional retirees** of the national government; retired personnel of GOCCs, which are financially unable to pay the said benefits, subject to the submission of its streamlining program; and the personnel devolved to LGUs in accordance with NBC Nos. 429,¹⁹ 429-A;²⁰
- Monetization of leave credits of government employees;
- Separation benefits or incentives of government personnel affected by various forms of organizational restructuring, authorized under applicable laws, rules and regulations, including those who are affected by

¹⁹ dated September 30, 1993 (Separation and Retirement Benefits of National Government Agency Personnel Devolved to the Local Government Units)

²⁰ dated December 30, 1993 (Amendment of Section E of NBC No. 429 dated September 30, 1993)

the full implementation of the devolution of certain functions of the Executive Branch to LGUs and the abolition of the Autonomous Regional Government in Muslim Mindanao pursuant to R.A. 11054.²¹

The release of subsequent SAROs to cover pension requirements for the second to fourth quarters of pensioners cited in item 1.1 of Schedule II shall be based on the latest list of actual pensioners provided by the agencies concerned, as confirmed by DBM and supported with the required BFARs.

- 2.1.6.3 **MPBF** shall be used to fund PS deficiencies of employees who are still in the government service, e.g., salaries, bonuses, etc., (except those pertaining to filling-up of existing and newly-created positions already provided under the agencies' budgets), and grant of medical allowance as subsidy to qualified government employees for the availment of Health Maintenance Organization (HMO)-type benefits pursuant to **Section 65**, GPs of the FY 2026 GAA. The grant of medical allowance shall be subject to Budget Circular No. 2024-6 and any subsequent issuances for the purpose.²²

PS deficiencies shall be initially charged against the available allotment of the agency; release from the MPBF for the purpose shall be made after it has been determined that the PS deficiency cannot be accommodated within the agency's available allotment.

In addition, the MPBF includes the Legal Defense Fund which shall cover the actual expenses, including payment of premiums for posting of bail bonds and cash advance, in relation to the defense of government officials and employees in administrative, civil or criminal cases filed against them in courts for acts committed in the performance of their official functions.

- 2.1.6.4 **NDRRMF** shall be used to fund aid, relief and rehabilitation services to communities/areas affected by man-made and natural calamities and repair and reconstruction of permanent structures, including other capital expenditures for disaster operation and rehabilitation activities. Release from this fund shall be

²¹ dated July 27, 2018 (An Act Providing for the Organic Law for the Bangsamoro Autonomous Region in Muslim Mindanao, repealing for the Purpose Republic Act No. 6734, Entitled "An Act Providing for An Organic Act for the Autonomous Region in Muslim Mindanao," As Amended by Republic Act No. 9054, Entitled "An Act to Strengthen and Expand the Organic Act for the Autonomous Region in Muslim Mindanao)

²² dated December 12, 2024 (Rules and Regulations on the Grant of Medical Allowance to Civilian Government Personnel)

made to the appropriate implementing agencies/units/LGUs.

2.1.6.5 **RAFPMP** shall be used exclusively to support the funding requirements for the modernization projects of the AFP and shall be administered by the Secretary of National Defense. The allotment for the purpose shall be issued only upon submission by the Department of National Defense (DND) of the recommendation by the appropriate bids and awards committee of the award of contracts for the modernization projects.

2.1.7 Budgetary support to the rest of GOCCs;

2.1.8 Allocations to LGUs – Local Government Support Fund (LGSF):

- Financial Assistance to Local Government Units;
- Support to the Barangay Development Program of the National Task Force to End Local Communist Armed Conflict (NTF-ELCAC);
- Support and Assistance Fund to Participatory Budgeting; and
- Growth Equity Fund.

Conditions for the release from LGSF shall be in accordance with the Special Provisions under the FY 2026 GAA and other guidelines as may be issued for the purpose.

2.1.9 Allocations to LGUs – Special Shares of LGUs in the Proceeds of National Taxes, and Special Shares of LGUs in the Proceeds of Fire Code Fees shall be released pursuant to their Special Provisions under current year's GAA, duly supported by the pertinent certification from the BTr and the collecting agency; and

2.1.10 Allocations for BARMM — Special Development Fund (SDF) and Share in Taxes, Fees and Charges collected in the Bangsamoro Autonomous Region.

2.2 **Automatically Appropriated Items**

2.2.1 Total requirements for RLIP corresponding to filling/creation of new positions during the year and deficiencies in RLIP contributions, as the case may be.

- 2.2.2 Operating requirements, inclusive of RLIP, of the following agencies reflected in Table B.15 of the FY 2026 BESF which are fully dependent on income collections accruing to its SAGFs or with very minimal budget provision in the GAA, subject to the submission of Certification of Collections from BTr:
- DOF-IC — PS, MOOE, and CO;
 - DOTr-OTS — PS, and MOOE; and
 - DOJ-LRA — MOOE and CO.
- 2.2.3 The rest of the SAGFs (excluding those cited under item 2.2.2 hereof), to be released supported with BTr certification on the latest available balance of the SAGF;
- 2.2.4 Any adjustment to effect the authorized deductions from the NTA, i.e., LGU contributions to MMDA and loan amortization to the Municipal Development Fund;
- 2.2.5 Tax Expenditure Fund;
- 2.2.6 Interest Payment; and
- 2.2.7 Net Lending.

---nothing follows---

REPUBLIC OF THE PHILIPPINES)
_____) S.S.

CERTIFICATION

I hereby, under oath, attest to the veracity of the following:

1. This Certification is in support of the request for the release of Notice of Cash Allocation (NCA) in the amount of P_____, covering cash requirements for payment/s of the Accounts Payable or Due and Demandable Obligations, as detailed in the attached List of Due and Demandable Accounts Payable-Advice to Debit Accounts (LDDAP-ADA).
2. The payment/s to be made is/are for valid and legal obligations covering infrastructure projects implemented, consistent with approved plans, specifications, and standards, and in accordance with budgeting, procurement, accounting, and auditing laws, rules, and regulations. Likewise, the *[Insert Implementing Agency/Unit]* has secured all government permits and clearances, as applicable.
3. I hereby assume full responsibility for the veracity and accuracy of each Accounts Payable or Due and Demandable Obligations, and the authenticity of the submitted supporting documents, which include, but are not limited to:
 - a. LDDAP-ADA;
 - b. Financial Accountability Report (FAR) No. 1;¹
 - c. FAR No. 3,² if applicable;
 - d. FAR No. 4;³
 - e. Budget Execution Document (BED) No. 3;⁴
 - f. Latest Book/Bank balances;
 - g. Bank Certification of Lapsed NCAs, if applicable; and

¹ Statement of Appropriations, Allotments, Obligations, Disbursements and Balances

² Aging of Unpaid Obligations

³ Monthly Report of Disbursements

⁴ Monthly Disbursement Program

- h. List of Reverted Accounts Payable as of end of the previous year (Per Executive Order No. 87 dated August 13, 2019,⁵ as implemented by Commission on Audit-Department of Budget and Management Joint Circular No. 2021-1 dated March 8, 2021⁶).

4. The said projects are not fully funded from other sources.

This Certification is being issued to support the request for the release of NCA for the attached LDDAP-ADA amounting to P_____.

IN WITNESS WHEREOF, I have hereunto set my hand this ___ day of _____, 20__ at _____, Philippines.

*[Insert Full Name of Head of Agency /
Implementing Unit]*

SUBSCRIBED AND SWORN to before me, this ___ day of _____, 20__ at _____, Philippines, the affiant exhibiting to me _____, with no. _____ issued at _____, valid until _____.

NOTARY PUBLIC

Doc. No. _____;
Page No. _____;
Book No. _____;
Series of _____.

⁵ Directing that All Accounts Payable which Remain Outstanding for Two Years or More in the Books of National Government Agencies be Reverted to the Accumulated Surplus or Deficit of the General Fund, or the Cumulative Result of Operations of the National Government

⁶ Guidelines Implementing Executive Order (E.O.) No. 87 Directing that All Accounts Payable which Remain Outstanding for Two Years or More in the Books of National Government Agencies be Reverted to the Accumulated Surplus or Deficit of the General Fund of the National Government

Department of _____
 Agency/Operating Unit _____
 Address _____

MODIFICATION ADVICE FORM (MAF) NO. 2026-XX-XXXX

Dated : _____

Funding Source :

Legal Basis :

Purpose :

DEFICIENT ITEMS (TO) :

PROGRAMS / PROJECTS / ACTIVITIES	RESPONSIBILITY CENTER	ALLOTMENT CLASS	OBJECT OF EXPENDITURES	AMOUNT
Total :				-

SOURCE ITEMS (FROM) :

PROGRAMS / PROJECTS / ACTIVITIES	RESPONSIBILITY CENTER	ALLOTMENT CLASS	OBJECT OF EXPENDITURES	AMOUNT
Total :				-

Prepared by:

 Analyst/Specialist

Recommending Approval by:

 Budget Officer/Director of Finance Service or Equivalent

Approved by:

 Agency/Entity Head or Authorized Representative

Department of _____
 Agency/Operating Unit _____
 Address _____

Advice for use of PS Allotment (APSA) NO. 2026-XX-XXXX

Date : _____

Funding Source :

Legal Basis :

DEFICIENT ITEMS (TO) :

PROGRAMS / PROJECTS / ACTIVITIES	OPERATING UNIT / RESPONSIBILITY CENTER	ALLOTMENT CLASS	OBJECT OF EXPENDITURES	AMOUNT

Total : -

SOURCE ITEMS (FROM) :

PROGRAMS / PROJECTS / ACTIVITIES	OPERATING UNIT / RESPONSIBILITY CENTER	ALLOTMENT CLASS	OBJECT OF EXPENDITURES	AMOUNT

Total : -

Prepared by:

 Analyst/Specialist

Recommended by:

 Budget Officer/Director, Finance Service

Approved by:

 Agency Head or Authorized Representative