

GAA as a Release Document

FREQUENTLY ASKED QUESTIONS

1. What do we mean by *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. Disbursement Authorities (i.e., Notice of Cash Allocation, Non-Cash Availment Authority and Cash Disbursement Ceiling) will still be issued, as the case may be, to settle the obligations of agencies.

2. Why are we adopting this scheme – *GAA as a Release Document*?

It speeds up budgetary releases, as agencies can immediately obligate – enter into contract, subject to procurement rules – their allocations upon approval of the Budget, without waiting for the issuance of any release document from the DBM. It likewise complements the early procurement of projects by allowing the awarding of contracts upon the effectivity of the GAA, thus ensuring the timely and efficient implementation of programs and projects.

3. What are the items of expenditures that are included in the negative list?

These are budgetary items that need prior clearance from approving authorities and/or are subject to compliance with certain requirements:

- (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 conditionalities/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.

In this regard, the DBM shall inform the agencies of the programs and projects and the corresponding amounts covered in the negative list.

4. Why are these items in the negative list?

By their nature, these items require the submission of details and/or compliance with certain requirements prior to release of funds. For instance, the E-Government Fund requires compliance with the criteria set by the Information and Communications Technology Office prior to release of funds.

5. When can an agency start to obligate its budget?

An agency can start to obligate all budgetary items not covered under item no. 3 and without any condition or requirements in the release of funds immediately upon effectivity of the GAA.

6. Will the agencies still be required to submit the Budget Execution Documents (BEDs) (e.g., Quarterly Physical And Financial Plans, Monthly Disbursement Program)?

Yes, agencies are required to submit BEDs, on or before November 30 of each year, based on the National Expenditure Program (NEP). If there are changes in the GAA, the BEDs shall be revised accordingly.

7. Will there still be any other release documents besides the GAA under this scheme?

Special Allotment Release Orders (SAROs) shall be issued to agencies authorizing them to incur obligations for the budget items included in the negative list.

Disbursement Authorities mentioned under item no. 2 shall likewise be issued.

8. What are the requirements that agencies should submit to support the release of the items included in the negative list.

In general, agencies are required to submit a special budget request supported by the corresponding Physical and Financial Plans and other requirements enumerated under existing policies, rules and regulations.

9. Will the inclusion of programs and projects in the negative list affect the performance target of agencies?

It should not. Agencies are expected to submit the requirements for the release of funds within their scheduled program/project implementation as indicated in their submitted Physical and Financial Plans.

10. How will allowable project modifications and/or realignments be implemented under this regime?

To ensure that programs and projects are properly planned and duly implemented, project modifications and/or realignments are discouraged. However, in exceptional circumstances, these may be allowed, subject to the applicable General/Special provisions in the GAA and guidelines issued by DBM.

11. Is the revised presentation of the proposed 2014 Budget a result of this scheme – ***GAA as a Release Document?***

No. The “new face” of the Budget was brought about by the integration of Strategic Objectives and Performance information of agencies in line with the Performance-Informed Budget structure.

12. With the adoption of the ***GAA as a Release Document***, how will the stakeholders know/be informed that programs and projects are being implemented?

Agencies are expected to implement programs and projects immediately upon the effectivity of the GAA, and consistent with their submitted Physical and Financial Plans. They are likewise required under the Transparency Seal to post the status of the implementation of major programs and projects in their respective official websites.