



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
MALACANANG, MANILA



NATIONAL BUDGET CIRCULAR

NO. 450
March 5, 1996

TO : HEADS OF DEPARTMENTS, BUREAUS, OFFICES AND AGENCIES OF THE NATIONAL GOVERNMENT; STATE COLLEGES AND UNIVERSITIES; GOVERNMENT FINANCIAL INSTITUTIONS; AND ALL OTHERS CONCERNED

SUBJECT : **Representation and Transportation Allowances of Contractual Personnel**

1. Purpose

This Circular is being issued to provide guidelines concerning the representation and transportation allowances of contractual personnel.

2. Coverage and Exemption

This Circular shall cover all contractual personnel who are hired by an agency as part of its organization to perform functions and specific vital activities or services which cannot be provided by its regular or permanent staff and whose positions are determined by the Department of Budget and Management as comparable or equivalent in rank to those positions enumerated under Item 3.1 hereof. It does not include, however, those who are hired to provide professional consultancy services which require highly specialized or technical expertise in a field of special knowledge or training.

3. Rules and Regulations

3.1 Contractual personnel covered in this Circular may be authorized commutable RATA in accordance with the rates prescribed for each of the following officials and employees and the conditions enumerated under the pertinent Section of the annual General Appropriations Act (GAA):

3.1.1 Department Secretary

3.1.2 Department Undersecretary



"Tulong-tulong sa pagsulong!"

3.1.3 Department Assistant Secretary
Director IV (Bureau Director and Department Regional Director)

3.1.4 Director III (Assistant Bureau Director, Department Assistant Regional
Director, Department Service Chief)
Director II (Bureau Regional Director)

3.1.5 Director I (Assistant Bureau Regional Director)

3.1.6 Chief of Division

3.2 RATA is attached to the performance of the duties and responsibilities by the incumbents of positions and not to positions. Moreover, the salary grades of positions do not automatically entitle incumbents thereof to RATA. Hence, only those contractual personnel who are actually performing the duties and responsibilities of their positions shall be entitled thereto.

3.3 Contractual personnel who are hired on a part-time basis shall not be entitled to RATA.

4. Twenty Percent (20%) Premium

Contractual personnel covered under this Circular may still be entitled to twenty percent (20%) premium in accordance with the pertinent provision of the annual GAA.

5. Funding Source

The RATA authorized herein shall be charged against project funds, in the case of project-based positions, or against current savings of the agency concerned.

6. Responsibility of the Head of Agency

The head of agency shall be held responsible and personally liable for any payment of RATA not in accordance with the provisions of this Circular without prejudice, however, to refund of any excess payment by the contractual personnel concerned.

7. Saving Clause

Appropriate cases not covered by the provisions of this Circular shall be submitted to the Department of Budget and Management for resolution.

8. **Repealing Clause**

All circulars, guidelines, rules and regulations which are inconsistent with the provisions of this Circular are hereby repealed.

9. **Effectivity**

This Circular shall take effect January 1, 1996.



SALVADOR M. ENRIQUEZ, JR.
Secretary