



**CIRCULAR LETTER**

No. 2009-1

January 2, 2009

**TO : Heads of Departments/Agencies/State Universities and Colleges and Other Offices of the National Government; Budget Officers; Heads of Accounting Units; and All Others Concerned**

**SUBJECT : Release of Funds for January, FY 2009**

---

- 1.0 This Circular covers the following:
- 1.1 All agencies in the national government including SUCs; and,
  - 1.2 The Bureau of the Treasury for the amounts of assistance to government owned/or controlled corporations (GOCCs) and local government units (LGUs), respectively.
- 2.0 Pending the approval of the FY 2009 General Appropriations Act, all agencies are authorized to obligate the amount corresponding to their actual requirements for the month of **January, 2009** but not to exceed the following percentages, defined as follows:
- 2.1 Chargeable Against Regular Budget
    - 2.1.1 Personal Services (PS) - one twelfth (1/12) of the PS level using **actual salary requirements as of December 31, 2008** (i.e., number of filled positions and adjusted salary rates) but not to exceed the level provided under the FY 2009 National Expenditure Program (NEP). This PS level shall **exclude** the following:
      - o Productivity Incentive Benefits;
      - o Clothing and Uniform Allowance;
      - o Year-End Benefits; and,
      - o Lump-sum for creation of new positions.
    - 2.1.2 Maintenance and Other Operating Expenditures (MOOE), as well as, Capital Outlays (CO) - one twelfth (1/12) of regular programs and **on-going** foreign assisted/locally funded projects under the FY 2008 Budget (R.A. No. 9498), **or** FY 2009 NEP whichever is lower, provided that, these on-going programs/projects are also included in the FY 2009 NEP.
  - 2.2 Chargeable Against Automatic Appropriations
    - 2.3.1 Retirement and Life Insurance Premiums (RLIP) - equivalent to 12% (or the applicable rate otherwise provided under special laws) of the **salaries** component under item 2.1.1 of this Circular.

- 2.3.2 Special Accounts in the General Fund (SAGF) - limited to the uncommitted cash balance with the Bureau of the Treasury under the SAGF of the respective agencies. The PS, MOOE and CO allocation should be consistent with the percentages specified under items 2.1.1 and 2.1.2 of this Circular.
- 2.3.3 Internal Revenue Allotment (IRA) of provinces, cities/municipalities and barangays – corresponding to the January, 2009 requirements based on the FY 2009 NEP.
- 3.0 Obligations incurred under item 2.0 of this Circular Letter (CL) shall be recorded in the appropriate Registry of Appropriations and Allotments, as **overdraft in allotment**. This shall be adjusted once the allotment for the purpose is approved. The rules and regulations pertinent to recording of these budgetary accounts are prescribed under COA Circular 2004-008.
- 4.0 The following items which shall be issued **SARO** upon approval of the Special Budget Request (SBR) are not covered by this obligational authority. The corresponding NCA for the purpose shall be based on the separate **Monthly Cash Program (MCP)** submitted as a supporting document to the SBR as emphasized under CL No. 2008-11 dated December 8, 2008 (re: Guidelines in the Release of NCA for FY 2009).
- 4.1 Centrally-managed items (CMIs) in the regular budget of specific Departments chargeable against FY 2009 Budget (R.A. 9498, as reenacted). Actual requirements shall be based on the FY 2008 Budget (R.A. 9498, as reenacted) or FY 2009 NEP, whichever is lower. The SARO/NCA to be issued for January 2009 shall be made directly to the various operating units (OUs) of the Departments. The release of funds to the OUs shall be based on the request/details to be submitted by the Central Office of the concerned Departments/agencies i.e., names of OU, allocation and monthly NCA requirements per MCP.
- 4.2 Terminal leave benefits of compulsory and optional retirees and retirement gratuity of those not covered by GSIS retirement laws i.e., military/uniformed personnel and judges/justices of Courts (among others). Actual requirements for retirement gratuity and terminal leave benefits shall be charged against the **Pension and Gratuity Fund (PGF)**, R.A. 9498, as reenacted, supported by the documents required under Circular Letter No.99-4.
- 4.3 Pension benefits of AFP retirees, war/military veterans of the Department of National Defense and uniformed personnel of the Department of Interior and Local Government, National Mapping and Resource Information Authority and the Philippine Coast Guard. The release for the purpose chargeable against the **PGF**, R.A. 9498, as reenacted, shall be based on the number of pensioners and rates as of December 31, 2008.
- 5.0 For compliance.

  
**ROLANDO G. ANDAYA, JR.**  
Secretary

