



DEPARTMENT OF BUDGET AND MANAGEMENT
DEPARTMENT OF NATIONAL DEFENSE



JOINT CIRCULAR NO. 2019- 1
December 23, 2019

TO : OFFICIALS OF THE DEPARTMENT OF BUDGET AND MANAGEMENT (DBM) AND THE DEPARTMENT OF NATIONAL DEFENSE (DND), AND ALL OTHERS CONCERNED

SUBJECT : **GUIDELINES ON THE IMPLEMENTATION OF EXECUTIVE ORDER (EO) NO. 94, s. 2019 AUTHORIZING THE GRANT OF FINANCIAL SUPPORT TO THE CITIZEN ARMED FORCE GEOGRAPHICAL UNIT (CAFGU) ACTIVE AUXILIARY (CAA) SERVICE**

1.0 BACKGROUND

- 1.1 EO No. 264, s. 1987 created the CAFGU which, through the mobilization of CAA Service units, shall complement and support the regular forces of the Armed Forces of the Philippines (AFP) in dealing with internal and external security threats.
- 1.2 The CAA units support the AFP by providing vital military intelligence, joining traditional and non-traditional military operations, securing conflict-affected communities, and acting as first responders during natural disasters.
- 1.3 In recognition of the invaluable service of the members of the CAA units, EO No. 69, s. 2018 granted the members of CAA units financial support in the amount of P7,000.00, covering the months of November and December 2018, and directed the DBM to study and propose measures for the continuous grant of financial support on a monthly basis.
- 1.4 Further, pursuant to EO No. 69, the DBM recommended appropriate measures to ensure the monthly grant of financial support to members of CAA units in a manner that is fiscally sustainable and compliant with existing budgeting, accounting, and auditing rules and regulations.
- 1.5 Thus, EO No. 94 has been issued to authorize the grant of financial support to qualified members of CAA Service in the amount of P2,000.00 per month beginning July 2019.
- 1.6 Section 4 of the said EO provides that the DBM and the DND shall jointly issue appropriate guidelines to implement it.

2.0 PURPOSE

To prescribe rules, regulations, and guidelines in the implementation of EO No. 94 or in the grant of financial support to qualified member under CAA Category I (CAA-I) of the AFP – Philippine Army (PA).

3.0 COVERAGE

This Joint Circular (JC) shall cover the payment of financial support to all duly-appointed members of the CAA units appearing in the roster maintained by the AFP-PA and actually rendering services; provided, that those who are in the roster and have been appointed but are still undergoing training as of 01 July 2019, shall be entitled to a prorated portion of said financial support upon the satisfactory completion of the prescribed training.

4.0 EXCLUSIONS

CAA II members are excluded from the coverage of this JC as well as those CAAs not being managed by the AFP-PA.

5.0 DEFINITION OF TERMS

For purposes of this JC, the succeeding terms used therein shall have the following meaning:

- a. **CAA-I Category** – CAAs-I are those reservists who are called upon to complement the operations of the AFP-PA at the expense of the National Government.
- b. **CAA-II Category** – are those reservists whose primary purpose is to protect the private corporations, business entities, and local government units (LGUs) from the threat posed by law and order, and insurgency problem in the locality. The allowances of CAA-II are also shouldered by the Private Corporation, Business Company or LGU instead of AFP.
- c. **Duly appointed and Re-appointed CAAs-I** - Members of CAA-I units who have undergone Basic Military Training and have been appointed/re-appointed by appearing in the roster maintained by AFP-PA and issued an appointment/re-appointment order by the Division Commander.
- d. **Financial Support** - Cash given per month beginning 01 July to 31 December 2019 and succeeding years, to each qualified member of CAA-I units.
- e. **General Appropriations Act** – Legislative authorization that contains the appropriations authorized by Congress in terms of specific amounts

for Personnel Services, Maintenance and Other Operating Expenses, and Capital Outlays authorized to be spent for the implementation of programs, activities and projects of all departments, bureaus and offices of the government for a given year.

- f. **Terminated CAAs-I** - Those CAAs-I who are honorably separated from CAA service.

6.0 POLICY GUIDELINES

- 6.1 The AFP-PA shall submit to the AFP-General Headquarters (GHQ) for consolidation a verified list of certified appointed/re-appointed/terminated CAAs-I for the months of July to December 2019 and monthly list for the succeeding years or upon the request of the DBM. The AFP-GHQ shall then transmit the verified list to the DND for endorsement to the DBM.
- 6.2 The table presented below is the distribution of Financial Support beginning July 2019 onward to each qualified CAAs-I including those who have already satisfactory completed their prescribed training, from the effectivity of their appointment:

Effectivity of Appointment/ Re-appointment	Percentage of the Financial Support per Month
On or before June 30, 2019	100%
From 1 st to 15 th day of the month	100%
From 16 th to end of the month	50%

- 6.3 The following is the distribution of financial support to terminated CAAs-I:

Effectivity of Termination (Honorably Discharged)	Percentage of the Financial Support per Month
On or before June 30, 2019	None
From 1 st to 15 th day of the month	50%
From 16 th to end of the month	100%

- 6.4 For FY 2020 and the succeeding years, the distribution shall follow Sections 6.2 and 6.3 of this JC adjusted on the basis of effectivity of appointment/re-appointment/termination.

7.0 PROCEDURAL GUIDELINES

- 7.1 The release of funds to cover the FY 2019 funding requirements shall be covered by a Special Budget Request submitted to the DBM by the concerned agency as endorsed by the DND Secretary. This shall be supported by actual list of entitled CAA and the corresponding

budgetary requirements as well as the Budget Execution Documents, i.e., Financial Plan and Monthly Disbursement Program.

- 7.2 The funds appropriated for the financial support in FY 2020 shall be comprehensively released to the agency subject to the submission of Budget Execution Documents and the DBM guidelines for the release of funds.
- 7.3 The AFP-PA shall submit a report of utilization of this fund incorporated under its Budget and Financial Accountability Reports pursuant to COA-DBM JC No. 2019-1 dated January 1, 2019 (Updated Guidelines Relative to Budget and Financial Accountability Reports Starting FY 2019).
- 7.4 The funding requirements for the succeeding years shall be included in the Budget Proposal to be submitted by the AFP-PA to the DBM supported with the submission of actual number of qualified CAA members. The same shall be subject to evaluation by the DBM during the Budget Preparation period.

8.0 FUNDING SOURCES

- 8.1 The funding requirements for the grant of financial support to qualified CAAs-I for the months of July to December 2019 and FY 2020 shall be sourced from the appropriations for Maintenance and Other Operating Expenses of the AFP-PA's specific budget under the FYs 2019 and 2020 GAA, respectively, subject to existing budgeting, accounting, and auditing rules and regulations.
- 8.2 For succeeding years, the funding requirements shall be annually appropriated in the GAA subject to existing budgeting, accounting, and auditing rules and regulations.

9.0 RESPONSIBILITY AND ACCOUNTABILITY

The responsibility and accountability in the utilization and disbursements of funds provided for the financial support of qualified members of CAAs shall rest upon the officials/employees who have caused/authorized the actual payment. It is also the responsibility of the Officials of DND and AFP-PA to ensure that the financial support shall be utilized in accordance with applicable budgeting, accounting, and auditing rules and regulations, and other pertinent laws.

10.0 SEPARABILITY CLAUSE

If any provision of this JC is declared invalid or unconstitutional, the remaining provisions not affected thereby shall continue to be in full force and effect.

11.0 REPEALING CLAUSE


All orders, rules and regulations inconsistent with this JC are hereby repealed or modified accordingly.


12.0 ISSUES FOR RESOLUTION


Issues or conflicts arising from the implementation of this JC shall be resolved jointly by the DBM and the DND.


13.0 EFFECTIVITY

This JC shall take effect immediately upon approval.


WENDEL E. AVISADO
Secretary, DBM




DELFIN N. LORENZANA
Secretary, DND


DNL-200221