



Preparation of the FY 2019 Budget:

Guidelines For the Formulation of Tier 1 and Tier 2 Levels

**January 17, 2018
Philippine International
Convention Center
Pasay City**

Tier 1 Composition : PS

1. Agency-Specific Budgets:

- **For CFAG Agencies:** Salaries and allowances of all *filled and unfilled* positions reported in the GMIS as of **December 31, 2017**, including the requirements for the 4th Tranche of salary increase under EO No. 201 (2019 FE)
- **For Other Agencies:** Salaries and allowances of all *filled* positions reported in the GMIS as of December 31, 2017, including the requirements for the 4th Tranche of salary increase under EO No. 201 (2019 FE), as well as compensation adjustments for the MUP that are prescribed under NBC 574, s. 2018



Tier 1 Composition : PS

1. Agency-Specific Budgets (cont.)

- For All Agencies:
 - Other Non-interface PS items (e.g., anniversary bonus during milestone years, Magna Carta benefits, etc.) based on positions reported in GMIS as of Dec. 31, 2017
 - Step Increment due to Length of Service per CSC-DBM JC No. 2012-1
 - Lump sum for Casuals and Contractuals as adjusted to 4th Tranche of salary increase under EO No. 201 (2019 FE), ***subject to submission of BP 204***
 - Terminal Leave Benefits of ***compulsory*** retirees
 - TL and RG of MUP compulsory retirees and other agencies covered by special laws



Tier 1 Composition : PS

2. MPBF:

FOR UNFILLED POSITIONS

- **100%** of unfilled positions as follows:
 - Uniformed personnel (PNP, BJMP, BFP, PPSC, PCG, NAMRIA)
 - Military personnel in DND
 - Teaching positions
- **75%** of unfilled medical and allied positions
- **30%** of unfilled positions in agencies other than those mentioned above

FOR NEW POSITIONS

- Based on population-based formulas



Tier 1 Composition : PS

3. PGF:

- Pension payments for existing MUP retirees, as well as those from the Judiciary, OSG, OGCC, NLRC, PRC, ERC, and the Office of the Ombudsman



Tier 2 Composition : PS

1. Agency-Specific Budgets:

- PS increases due to budget policy decision such as:
 - Implementing a new program or activity
 - Expansion of P/A/P
 - Major change in the organizational structure of an agency
 - Transfer of functions between agencies



Tier 2 Composition : PS

2. MPBF

- **100%** of salary and other PS costs for newly-approved positions by the DBM after the December 31, 2017 cut off date
- **75%** of positions proposed for creation with legal basis, standards, or with evaluation based on complete agency submission
- Performance-Based Bonus (PBB) estimates as determined by the AO No. 25 Inter-Agency Task Force
- Step increment due to meritorious performance per CSC-DBM Joint Circular No. 2012-1
- Proposed overtime pay per CSC-DBM JC No. 2015-1



Tier 2 Composition : PS

3. PGF

- TL and RG for optional retirees
- Pension payments for **new** retirees for MUP, Judiciary, OSG, OGCC, NLRC, PRC, ERC, and Ombudsman
- Monetization of Leave Credits
- Separation benefits and/or incentives of affected personnel pursuant to the National Government Rightsizing Program (**DBM to estimate the proposed budget**), reorganization, merger, streamlining, abolition, or privatization authorized under applicable laws, rules and regulations



Thank
you

