



REPUBLIKA NG PILIPINAS  
REPUBLIC OF THE PHILIPPINES  
**KAGAWARAN NG EDUKASYON**  
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DepEd ORDER  
No. **47** s. 2003

MAY 30 2003

**FY 2003 FUNDING REQUIREMENTS FOR THE INCREASE IN THE MAXIMUM LIMIT  
OF EMPLOYEES' COMPENSATION INSURANCE PREMIUM (ECIP)**

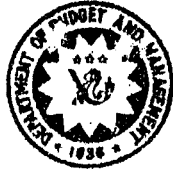
To: Undersecretaries  
Assistant Secretaries  
Bureau Directors  
Directors of Services/Centers and Heads of Units  
Regional Directors  
Chiefs of Divisions

1. For the information and guidance of all concerned, enclosed is a copy of Department of Budget and Management Circular Letter No. 2003-5 dated April 21, 2003 entitled "FY 2003 Funding Requirements for the Increase in the Maximum Limit of Employees' Compensation Insurance Premium (ECIP)."
2. For strict compliance of all concerned.

*R. C. Bacani*  
RAMON C. BACANI  
Undersecretary  
Officer-in-Charge

Encl.: As stated  
Reference: None  
Allotment: 1—(D.O. 50-97)  
To be indicated in the Perpetual Index  
under the following subjects:

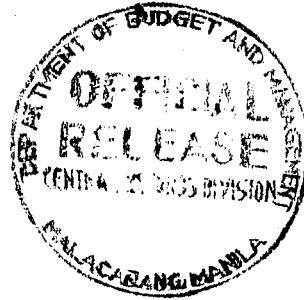
EMPLOYEES  
FUNDS  
OFFICIALS



REPUBLIC OF THE PHILIPPINES

**Department of Budget and Management**

Malacañang, Manila



**CIRCULAR LETTER**

No. 2003 - 5

April 21, 2003

**TO : All 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 : FY 2003 FUNDING REQUIREMENTS FOR THE INCREASE IN THE MAXIMUM LIMIT OF EMPLOYEES' COMPENSATION INSURANCE PREMIUM (ECIP)**

- 1.0 Per Employees Compensation Commission (ECC) Board Resolution No. 02-04-235, the maximum limit of ECIP contributions has been increased from P30.00 to 1% of the basic salary or P100.00 per month per employee whichever is lower, effective January 1, 2003. Corollary to this, the Government Service Insurance System (GSIS) Board of Trustees issued Resolution No. 102 dated April 17, 2002 to inform its members of the increase.
- 2.0 For FY 2003, however, funding requirements for subject increase in ECIP contributions were not appropriated in the General Appropriations Act. The government's contribution to ECIP was computed at P360 per annum for filled itemized positions, or P30.00 per month, per employee.
- 3.0 As a general rule, disbursements of public funds must be covered by corresponding appropriations for the purpose. This is in line with Section 29 (1) Article VI of the 1987 Constitution which states that:  
  
"No money shall be paid out of the Treasury, except in pursuance of an appropriation made by law".
- 4.0 In the absence of appropriation/specific funding source for the subject increase in personnel benefits, these cannot be considered as liability on the part of the national government.
- 5.0 Thus, Departments/Agencies are hereby directed to limit the FY 2003 ECIP contribution to P360 per annum.

  
**EMILIA T. BONCODIN**

Secretary