Republic of the Philippines
Department of Education

28 DEC 2017

DepEd ORDER
No. 67, s. 2017

USE OF PERSONNEL SERVICES APPROPRIATIONS FOR FISCAL YEAR 2017

To: Undersecretaries
Assistant Secretaries
Bureau and Service Directors
Regional Directors
Schools Division Superintendents
Public Secondary School Heads-Implementing Units
All Others Concerned

1. Relative to the two (2) sets of request, which the Department of Education (DepEd) submitted to the Department of Budget and Management (DBM) for the release of additional funds to cover deficiencies in the allocations for Hazard, Subsistence and Laundry Allowance pursuant to Republic Act No. 7305, Magna Carta for Public Health Workers, and Special Hardship Allowance in accordance with Republic Act No. 4670, Magna Carta for Public School Teachers, the DBM, in its letter-reply dated December 8, 2017, reiterated the following policies:

a. Item 4.9.1 of National Budget Circular No. 567, Guidelines on the Release of Funds for FY 2017, states that any available allotment for Personnel Services (PS) within a department or agency may be utilized by the said department or agency for the payment of deficiencies in authorized personnel benefits;
b. Item 5.1.2.3 (a and b) of the same Circular states that in instances where an insufficiency in PS occurs and frontloading shall be resorted to, the use of unobligated PS allotments, which have been comprehensively released may be utilized subject to approval of Agency Head, based on (a) Reallocation Advice for Use of PS Appropriations (RAPSA); and, (b) Registry of Allotments and Obligations for PS; and
c. Item 5.1.2 (b) of the aforementioned Circular states that the DBM shall approve modifications for the payment of newly authorized Magna Carta Benefits. Since DepEd's requests pertain to existing Magna Carta benefits, the modification of PS allotment does not need the approval of the DBM.

2. In view of the foregoing, every operating unit of this Department may utilize PS savings to augment deficient allocations for payment of authorized personnel benefits.

3. Considering that the use of PS appropriations to cover deficiencies in allocations for other authorized benefits chargeable against PS shall be subject to approval of agency head, the approval is hereby delegated to the following:

a. For central offices, Undersecretary for Finance-Budget and Performance Monitoring (BPM);

b. For Regional Offices, the Regional Directors;
c. For Schools Division Offices and Implementing Units, the respective Schools Division Superintendents.

4. The use of PS appropriations to cover deficiency shall be supported with a Reallocation Advice for Use of PS Appropriations (RAPSA), and the said adjustment shall be recorded or reflected in the Registry of Allotment and Obligations (RAO) for PS and shall be reported in the appropriate FARs being submitted to the DBM.

5. Immediate dissemination of and strict compliance with this Order is directed.

LEONOR MAGTOLIS BRIONES
Secretary

Encl.:
As stated
Reference:
None
To be indicated in the Perpetual Index
under the following subjects:

FUNDS
OFFICIALS
POLICY
SERVICE

MCDJ/ DO Use of PS Appropriations for FY 2017
1142/December 27, 2017

REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
BONCODIN HALL, GENERAL SOLANO STREET, SAN MIGUEL, MANILA

Reference Number: 2017-BB-0102855

December 8, 2017

Undersecretary Annalyn M. Sevilla
Budget and Performance Monitoring
Department of Education
DepEd Complex, Meralco Avenue, Pasig City

Attention: OIC – Director Armando Ruiz
Finance Service

Dear Undersecretary Sevilla:

This pertains to two (2) separate requests of the Department for the release of funds to cover deficiencies in the following Personnel Services items, chargeable against the 2017 Miscellaneous and Personnel Benefits Funds (MPBF):

Particulars	Legal Bases	Amount
Hazard, Subsistence and LaundryAllowance	RA 7305: Magna Carta of Public Health Workers	153,659,719.82
Special Hardship Allowance	RA 4670: Magna Carta for Public School Teachers	332,137,615.14
TOTAL		**485,797,334.96**

Per submitted DepEd- Central Office FAR 1-A as of September 30, 2017 (Annex A), there is still an unobligated allotment in Personnel Services (PS) amounting to P1,080,667,463.55.

Item 4.9.1 of National Budget Circular 567[1] states that, 'any available allotment for PS within a department or agency may be utilized by said department or agency for the payment of deficiencies in authorized personnel benefits'.

Further, item 5.1.2.3 (a & b) of the same Circular states that, 'in instances where an insufficiency in PS occurs and frontloading shall be sorted to, the use of unobligated PS allotments which have been comprehensively released may be utilized subject to approval of **Agency Head**, based on (a)Reallocation Advice for Use of PS Appropriations (RAPSA); and, (b)Registry of Allotments and Obligations for PS.

[1] National Budget Circular No. 567 dated January 3, 2017: Guidelines on the Release of Funds for FY 2017

Finally, may we reiterate item 5.1.2 (b) of NBC 567 which states that, 'the DBM shall approve modifications for the payment of **'newly authorized Magna Carta Benefits'**. Since DepEd's Magna Carta Benefits was already approved under R.A. No. 7305 and R.A. No. 4670 and the deficiency is merely due to the increase in number of recipients of an **existing Magna Carta Benefits**, modification* of available PS allotment does not need the approval of the DBM.

In view thereof, we recommend that the Magna Carta benefits requirements be charged against the available PS unobligated allotment subject to the approval of the head of the agency in accordance with General Provision No. 70 of the FY 2017 GAA (RA 10924).

Very truly yours,

By Authority of the Secretary:

CRISTINA B. CLASARA
Director, BMB-B

* Refers to any change within a program, activity, project (P/A/P) in operating unit, allotment class, object of expenditure, within a special purpose fund (SPF) and within the purpose authorized under the Unprogrammed Appropriation, as reflected in the FY 2017 GAA.