

# **[ DBM CIRCULAR NO. 2002-4, November 28, 2002 ]**

## **GRANT OF EXTRA CASH GIFT FOR 2002**

### **1.0 Purpose**

This Circular is issued to:

1.1 provide the rules and regulations on the grant of Extra Cash Gift for 2002 as approved by the President; and

1.2 supersede Budget Circular No. 2002-3, dated November 8, 2002.

### **2.0 Coverage**

The benefit herein authorized shall apply to all government personnel, whether elected or appointed in a permanent, temporary or casual status, including contractual personnel whose employment is in the nature of a regular employee, who are in the service as of October 31, 2002, in agencies covered by or following Republic Act (R.A.) No. 6758, the Salary Standardization Law.

In the case of entities exempt from R.A. No. 6758, Section 8.0 of this Circular shall apply.

### **3.0 Rules and Regulations**

3.1 Government officials and employees who have rendered at least a total or an aggregate of four (4) months of service in 2002 and are still in the service as of October 31, 2002 shall be entitled to the Extra Cash Gift of not more than FIVE THOUSAND PESOS (P5,000) each.

3.2 Those who have rendered less than four (4) months of service from January 1, 2002 to October 31, 2002 and still in the service as of October 31, 2002 shall be entitled to the Extra Cash Gift but pro-rated as follows:

Length of Service	Percentage
3 months but less than 4 months	40%
2 months but less than 3 months	30%
1 month but less than 2 months	20%

less than 1 month

10%

3.3 Payment shall be made not later than December 15, 2002.

3.4 The grant of Extra Cash Gift by LGUs shall be optional.

#### **4.0 Funding Source**

4.1 Funds to pay this benefit shall be charged against available savings in allotment/cash allocation of the department/agency.

4.1.1 Savings in allotment shall refer to such portions or balances of the agency's released budget free of any obligation or encumbrance and are no longer intended for specific purpose/s, such as:

4.1.1.1 after completion of the work/activity for which the appropriation is authorized;

4.1.1.2 arising from unpaid compensation and related costs pertaining to vacant positions; or

4.1.1.3 as a result of improved systems and procedures, cost saving measures and efficiency where the agency was able to meet and deliver the required or planned targets, programs and services approved in the annual budget at a lesser cost.

4.1.2 Savings in cash allocation shall refer to the free portion of the Notice of Cash Allocation after all agency requirements up to the end of the year have been satisfied.

4.2 In case of deficiency in allotment and/or cash allocation, agencies shall immediately submit to the DBM office concerned, the fund status as of November 30, 2002, through the following reports:

4.2.1 Statement of Allotment, Obligations and Balances

4.2.2 Summary List of MDS Checks Issued and Cancelled, and

4.2.3 Status of Cash in Banks (Savings, Current and Time Deposit Accounts)

4.3 In the case of GOCCs, GFIs and LGUs, the funds necessary to implement this Circular shall be charged against their respective funds; provided, that said amount shall be within their approved annual corporate/local budgets.

4.4 GOCCs, GFIs and LGUs which do not have adequate or sufficient funds, may partially implement the benefit, provided that the partial implementation shall be uniform for all positions.

#### **5.0 Budgeting Rules**

5.1 Heads of agencies are reminded to observe the priorities in the use of savings as provided under Section 55 of the General Provisions of R.A. No. 9162, the 2002 General Appropriations Act (GAA).