



Republic of the Philippines
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS
CENTRAL OFFICE
Bonifacio Drive, Port Area, Manila

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January 29, 2021

DEPARTMENT MEMORANDUM)
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CIRCULAR NO. 11)
Series of 2021 *2/8/2021*

FOR / TO : Undersecretaries
Assistant Secretaries
Bureau Directors
Service Directors
Regional Directors
Heads of UPMOs
District Engineers
This Department

For information and guidance, attached is a certified copy of DBM Budget Circular No. 585 dated January 26, 2021, re: **"GUIDELINES ON THE TREATMENT OF RELEASED ALLOTMENT AND RELEASE OF FUNDS FOR FY 2021 PURSUANT TO REPUBLIC ACT (R.A.) NOS. 11519 AND 11520."**

A copy of the said Circular may also be downloaded from the DPWH website: <http://dpwhweb>. If an office cannot access the DPWH website, a hard copy may be obtained from the Records Management Division, HRAS, upon request.

For dissemination to all concerned.

MARICHU A. PALAFOX, CESO III
Assistant Secretary for Support Services

Encl: DBM Budget Circular No. 585 dated January 26, 2021

cc: Office of the Secretary

10.1.4 JVL/FMG/VGV/MSV



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

NATIONAL BUDGET CIRCULAR

No. 585
January 26, 2021

For : All Heads of Departments/ Agencies/ State Universities and Colleges (SUCs) and Other Offices of the National Government, including Commissions/Offices under the Constitutional Fiscal Autonomy Group (CFAG), Government Entities Receiving Budgetary Support (Government-Owned or —Controlled Corporations [GOCCs] and Local Government Units [LGUs]); Budget Officers; Heads of Accounting Units; and All Others Concerned

Subject : **GUIDELINES ON THE TREATMENT OF RELEASED ALLOTMENT AND RELEASE OF FUNDS FOR FY 2021 PURSUANT TO REPUBLIC ACT (R.A.) NOS. 11519 AND 11520**

1.0 PURPOSE

To provide policies, procedures, rules and regulations on the release, utilization of funds, and monitoring of items authorized under R.A. No. 11519 (*An Act Extending the Availability of Appropriations under R.A. No. 11494, Otherwise Known as the "Bayanihan to Recover as One Act"*) and R.A. No. 11520 (*An Act Extending the Availability of the FY 2020 Appropriations to December 31, 2021, Amending for the Purpose Section 60 of the General Provisions of R.A. No. 11465 or the General Appropriations Act (GAA) for FY 2020*).

2.0 COVERAGE

All departments, agencies and operating units of the National Government, including CFAG, SUCs, GOCCs and LGUs receiving budgetary support from the national government from R.A. Nos. 11519 and 11520.

3.0 GUIDELINES

- 3.1 R.A. Nos. 11519 and 11520, which extends the availability of appropriations under R.A. Nos. 11494 and 11465, respectively, shall take effect on **February 2, 2021**, fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation, consistent with Article 2 of R.A. No. 386 or the Civil Code of the Philippines, as amended by Executive Order No. 200 dated June 18, 1987.

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3.2 The appropriations under R.A. Nos. 11465 and 11494, as extended, shall be available for release, obligation and disbursement not later than the following dates:

3.2.1 **June 30, 2021** – Appropriations under R.A. No. 11494 (Bayanihan to Recover as One Act) extended pursuant to R.A. No. 11519; and

3.2.2 **December 31, 2021** - Appropriations under R.A. No. 11465 (FY 2020 GAA) extended pursuant to R.A. No. 11520.

3.3 With the extended availability of the appropriations under R.A. Nos. 11465 and 11494, release of funds chargeable against the unreleased appropriation of said laws, as extended shall take effect only on February 2, 2021.

The usual procedures in recording received allotments shall be observed. Hence, agencies shall not set-up their Registry of Appropriations and Allotments (RAPAL) pending the receipt of allotment.

3.4 In the same way, agencies may continue to implement the specific programs/activities/projects covered by the unobligated allotments on the said date.

3.5 For this purpose, agencies shall observe the following procedural guidelines:

3.5.1 Close at year-end, the balances of unobligated allotments under R.A. No. 11465 and 11494 in their respective Registry of Allotment, Obligations and Disbursements (RAODs) for PS, MOOE, FinEx or CO, by negating the said amount in the Registry, consistent with Section 60 of the General Provisions under R.A. No. 11465 and in accordance with Section 28, Chapter 4, Book VI of E.O. No. 292, that all unobligated allotment shall be reverted to the unappropriated surplus of the General Fund.

3.5.2 Adjust their year-end FY 2020 Financial Accountability Report (FAR) 1, consistent with the aforecited reversion of the unobligated allotments charged against R.A. No. 11465 and 11494;

3.5.3 Set-up the beginning balances of R.A. Nos. 11519 and 11520 on February 2, 2021, by posting unobligated allotments as authorized by these Acts in the RAPAL. A separate RAPAL shall be created and maintained for each Act, by funding cluster, by program/activity/project.

3.5.4 Prepare separate FAR No.1 for Continuing Appropriations, R.A. Nos. 11519 and 11520. Then, encode in column 4, i.e., Adjustments (transfer [To]/From, Modifications, Augmentations) the unobligated balances of these Appropriations as part of the adjusted appropriations.

5

4.0 SEPARABILITY CLAUSE

If any part or provision of this Circular is held invalid or unconstitutional, other provisions not affected thereby shall remain in force and effect.

5.0 REPEALING CLAUSE

All provisions of existing circulars and other issuances inconsistent with this Circular are hereby rescinded/repealed and/or modified accordingly.

6.0 EFFECTIVITY

This Circular shall take effect immediately.


WENDEL E. AVISADO
Secretary

