



Republic of the Philippines
Department of Education
REGION VII – CENTRAL VISAYAS
SCHOOLS DIVISION OF NEGROS ORIENTAL

**Office of the Schools Division
Superintendent**

MEMORANDUM
MLA-2022 - 577

TO : **Assistant Schools Division Superintendent
Chief CID/Chief SGOD
All Program Owners
All others concerned**

FROM : **SENEN PRISCILLO P. PAULIN, CESO V**
Schools Division Superintendent
Office of the Schools Division Superintendent
11/29/22

SUBJECT : **CLARIFICATION ON THE VALIDITY OF FY 2021 GAA FUNDS**

DATE : November 29, 2022

For the information and guidance of all concerned, enclosed is a copy of Memorandum OUF-2022-0662 dated November 23, 2022 from the office of the UNDERSECRETARY FOR FINANCE entitled Clarification on the Validity of FY 2021 GAA Funds.

Please be guided accordingly.

1 DEC 2022

SPP/JMA-MKP/FINANCE/lde
Nov. 29, 2022



Address:Kagawasan Avenue, Capitol Area, Daro, Dumaguete City
Telephone Nos.:(035)225-2838 / 225-2376 / 422-7644
Email Address:negros.oriental@deped.gov.ph



Republic of the Philippines
Department of Education
OFFICE OF THE UNDERSECRETARY FOR FINANCE

MEMORANDUM

OUF-2022-0672

FOR : **ATTY. KRISTIAN R. ABLAN**
Undersecretary for Administration

: **ATTY. CHRISTOPHER LAWRENCE S. ARNUCO**
Assistant Secretary for Procurement and Administration

CC : **UNDERSECRETARIES**
ASSISTANT SECRETARIES
BUREAU AND SERVICE DIRECTORS
PROGRAM TEAMS

FROM : **ANNALYN M. SEVILLA**
Undersecretary for Finance

: **ATTY. OMAR V. ROMERO**
Assistant Secretary for Finance

SUBJECT : **CLARIFICATION ON THE VALIDITY OF FY 2021 GAA FUNDS**

DATE : **November 23, 2022**

This has reference to the request for clarification on the disbursement period of Fiscal Year (FY) 2021 funds as mentioned in *Memorandum OUF-2022-0556 (Deadline for Various Financial Transactions)* dated October 5, 2022, particularly on the reiteration of Republic Act (R.A.) No. 11640.¹

R.A. No. 11640 expressly provides the amendment to Section 62 of R.A. No. 11518,² to wit:

Section 62. Cash-Based Budgeting System. Appropriations authorized in this Act, including the budgetary support to GOCCS and financial assistance to LGU, **shall be available for release and obligation for the purpose specified, under the same general and special provisions applicable thereto, until December 31, 2022 xxx** (Emphasis supplied)

Likewise, construction of infrastructure projects, delivery of goods and services, inspection and payment shall be made not later than December 31, 2022. (Emphasis supplied)

This is further reiterated in the Department of Budget and Management's (DBM) National Budget Circular No. 587 dated January 3, 2022, to wit:

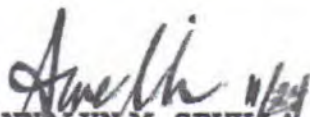
Section 3.5 Pursuant to R.A. No. 11640 which extended R.A. No. 11518 (FY 2021 GAA), appropriation items authorized under RA 11518 for **MOOE and CO are valid for release, obligation, and disbursement until December 31, 2022.** (Emphasis supplied)

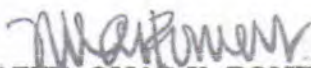
In compliance with the above provisions, the Finance Strand may only accept and process valid claims for payment chargeable to FY 2021 funds for delivered goods and services /infrastructure projects, until December 31, 2022.

Inasmuch, however, as the DBM has in past years³ clarified to the DepEd that projects covered by contracts already completed/delivered/accepted are obligations which the government has the duty to pay, we are presently confirming with the DBM the validity of said FY 2021 funds. In particular, we seek guidance if the period for disbursement for obligated projects extends to FY 2023.

Nonetheless, this Office does not recommend the commencement or continuation of ongoing **procurement projects charged against the FY 2021 funds which may no longer be awarded, obligated, delivered, and paid before December 31, 2022** considering the relevant prescribed procurement, delivery, and disbursement timelines. Particular attention is directed to program teams with ongoing procurement projects charged against the FY 2021 funds, which were affected by the recently DBM-disapproved request for augmentation of the Quick Response Fund and Disaster Preparedness and Response Program.

For your information and appropriate action.


ANNALYN M. SEVILLA
Undersecretary for Finance


ATTY. OMAR V. ROMERO
Assistant Secretary for Finance