



RECEIVED  
19 MAY 2026

Republika ng Pilipinas  
Kagawaran ng Edukasyon  
REHIYON V (BIKOL)

TANGGAPANG PANSANGAY NG MGA PAARALAN NG LUNGSOD IRIGA

CTRI No. 2026-05-242 P.

May 18, 2026

Division Memorandum  
No. 242 s. 2026

**SUBMISSION OF REPORTS OF SAVINGS FROM UNOBLIGATED ALLOTMENTS OF IDENTIFIED PROGRAMS/ACTIVITIES/PROJECTS (PAPs) IN COMPLIANCE WITH DBM NATIONAL BUDGET CIRCULAR NO. 602 AND 603, S. 2026.**

TO : Assistant Schools Division Superintendent  
Chief Education Supervisors, CID & SGOD  
Division Program Coordinators  
Section Heads  
All Personnel Concerned

1. This refers to the issued Department of Budget and Management (DBM) National Budget Circular (NBC) No. 602 dated April 23, 2026, and NBC 603 dated May 4, 2026 titled "Adoption of Economy Measures in View of the Declaration of a State of National Energy Emergency under Executive Order (EO) No. 110, s. 2006", which provide **guidelines for the offering and declaration of savings from identified Programs, Activities and Projects (PAPs) to be sourced from the unobligated allotments as of March 31, 2026 under the FY 2026 General Appropriations Act (GAA) and FY 2025 GAA, respectively.**

2. Pursuant to Section 4.1 and 4.1.1 of NBC 603, to partially generate the required amount to augment deficient PAPs under the FY 2025 GAA from the unobligated allotments under the **FY 2025 Continuing Appropriations**, all concerned entities are hereby directed to review the FY 2025 unobligated allotments based on the Financial Accountability Reports as of March 31, 2026, and shall determine the portion thereof that can no longer be utilized. The total amount identified shall be declared and offered as savings.



**IRIGA  
SPRINGS**

Sa Serbisyo ng Tapat at Maagap,  
Edukasyon ay Dekalidad!



Sto. Domingo, Lungsod Iriga  
[iriga.city@deped.gov.ph](mailto:iriga.city@deped.gov.ph)

28



Republika ng Pilipinas  
**Kagawaran ng Edukasyon**  
REHIYON V (BIKOL)

**TANGGAPANG PANSANGAY NG MGA PAARALAN NG LUNGSOD IRIGA**

---

3. In this regard, all Program Owners are required to review your respective unobligated allotments under the **FY 2025 Continuing Appropriations** and make necessary Catch-Up Plans for the timely and efficient utilization of fund within the second quarter of the year. For the monitoring of your unobligated balances as of May 18, 2026, please see attached Status of Budget Utilization and Catch-Up Plan and can be access through this link: <https://tinyurl.com/FY-2026-Catch-Up-Plan>
4. Further, if fund is no longer needed for the implementation of various PAPs in the Division Office, all Program Owners are likewise advised and reminded to identify and compute the savings to be offered, and submit certification at the Budget Office duly signed by the authorized signing and/or approving authorities.
5. Please ensure that offered savings will not adversely affect agency performance or result in service disruption.
6. The said Circular shall remain in full force and effect for the duration of the national energy emergency, unless extended or lifted earlier by the President.
7. For guidance and strict compliance with this Memorandum is desired.

*MB*

**MARIA-MAGNOLIA F. BRIOSO**  
OIC-Schools Division Superintendent

*MB*



**IRIGA  
SPRINGS**

*Sa Serbisyo ng Tapat at Maagap,  
Edukasyon ng Dekalidad!*



*Sto. Domingo, Lungsod Iriga*  
[iriga.city@deped.gov.ph](mailto:iriga.city@deped.gov.ph)



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

**NATIONAL BUDGET CIRCULAR**

No. 603  
May 4, 2026

- 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-owned or -Controlled Corporations (GOCCs) and Local Government Units (LGUs) receiving budgetary support from the National Government; Budget Officers; Heads of Accounting Units; and All Others Concerned
- Subject : **ADOPTION OF ECONOMY MEASURES IN VIEW OF THE DECLARATION OF A STATE OF NATIONAL ENERGY EMERGENCY UNDER EXECUTIVE ORDER (EO) NO. 110, S. 2026<sup>1</sup> TO BE SOURCED FROM FISCAL YEAR (FY) 2025 CONTINUING APPROPRIATIONS**

---

## 1.0 RATIONALE

- 1.1 National Budget Circular (NBC) No. 602 dated April 23, 2026,<sup>2</sup> was issued to guide agencies on the offering and declaration of savings from their unobligated allotments in the FY 2026 General Appropriations Act (GAA), Republic Act (R.A.) No. 12314. This partially generates the required funding sources needed for augmentation of identified programs/activities/projects (P/A/Ps) of the departments/ agencies in relation to the implementation of Unified Package for Livelihoods, Industry, Food, and Transport (UPLIFT) pursuant to EO No. 110, s. 2026, as well as the Office of the President Memorandum Circular No. 114, s. 2026.<sup>3</sup>
- 1.2 To further support the implementation of UPLIFT (covering FY 2025 identified P/A/Ps), unobligated allotments under the FY 2025 GAA that

---

<sup>1</sup> Declaring a State of National Energy Emergency and Authorizing the Unified Package for Livelihoods, Industry, Food, and Transport

<sup>2</sup> Adoption Of Economy Measures in view of the Declaration of a State of National Energy Emergency under Executive Order (EO) No. 110, s. 2026

<sup>3</sup> Directing All Government Agencies and Instrumentalities to Strictly Adopt Conservation Protocols

will no longer be used may be tapped as additional funding source subject to compliance with the following General Provisions (GP) of FY 2025 GAA:

- 1.2.1 GP No. 40 (Energy Efficiency). All national government agencies, LGUs and GOCCs shall comply with the Government Energy Management Program (GEMP), and existing laws, rules and regulations on energy efficiency and conservation.
- 1.2.2 GP No. 76 (Authority to Use Savings). The President of the Philippines, the President of the Senate of the Philippines, the Speaker of the House of Representatives, the Chief Justice of the Supreme Court, the Heads of the Civil Service Commission, the Commission on Elections and the Commission on Audit are hereby authorized to augment a deficiency in any existing item of their respective appropriations in the Act.
- 1.2.3 GP No. 77 (Meaning of Savings). Savings refer to portions or balances of any released appropriations in the Act which have not been obligated as a result of any of the following: a) completion, final discontinuance, or abandonment of a P/A/P for which the appropriation is authorized; or b) implementation of measures resulting in improved systems and efficiencies and thus enabled an agency to meet and deliver the required or planned targets, programs, and services approved in the Act at a lesser cost.

In case final discontinuance or abandonment is used as basis in the declaration of savings, such discontinued or abandoned P/A/P shall no longer be proposed for funding in the next two (2) fiscal years.

- 1.2.4 GP No. 78 (Rules on Augmentation). Augmentation is the act of the constitutional officers authorized to use savings in their respective appropriations in the Act to cover actual deficiencies in any existing item of appropriation within their respective offices in the current year.

## **2.0 COVERAGE**

All departments, agencies, and operating units of the national government, including SUCs, as well as GOCCs receiving budgetary appropriations authorized under the FY 2025 GAA.

The Legislative and Judicial branches, the Constitutional Commissions, and other offices vested with fiscal autonomy, as well as LGUs are strongly encouraged to adopt and implement the prescribed economy measures within their respective institutions.

### 3.0 PURPOSES

- 3.1 To provide guidelines for the possible measures for the offering and declaration of savings of identified P/A/Ps from the FY 2025 GAA unobligated allotments as of March 31, 2026, by covered entities under item 2.0 hereof;
- 3.2 To identify unobligated allotments for P/A/Ps under the FY 2025 Continuing Appropriations; and
- 3.3 To prescribe the submission of documents to the DBM as bases for the offering and declaration of savings from said unobligated allotments.

### 4.0 GUIDELINES

- 4.1 To partially generate the required amounts to augment deficient P/A/Ps under the FY 2025 GAA from the unobligated allotments under the FY 2025 GAA, Continuing Appropriations, all concerned entities are hereby directed to:
  - 4.1.1 Review the FY 2025 unobligated allotments reported in the submitted Financial Accountability Reports **as of March 31, 2026**, and determine the portion thereof that can no longer be utilized. The total amount identified shall be declared and offered as savings.
  - 4.1.2 Submit to the Department of Budget and Management (DBM) not later than **May 15, 2026**, a Certification (Annex A) reflecting the source P/A/Ps and the corresponding amount to be offered as savings, duly signed by the Head of Agency and as certified by the authorized budget and finance officers concerned.
- 4.2 The DBM shall:
  - 4.2.1 Prepare and submit to the President a report on the P/A/Ps offered and declared as savings from the FY 2025 GAA unobligated allotments.
  - 4.2.2 Issue the following upon receipt of the agency request to augment deficient P/A/Ps under the FY 2025 GAA, subject to the approval from the Office of the President:
    - 4.2.2.1 Negative Special Allotment Release Orders (SAROs) corresponding to the savings declared.
    - 4.2.2.2 SARO for memo entries to effect the use of savings and augmentation from the source to recipient agencies, as applicable.

- 4.2.2.3 SAROs to **fund identified deficient P/A/Ps under the FY 2025 GAA** of the various departments/agencies in relation to the implementation of UPLIFT.

## **5.0 APPLICABILITY**

This shall remain in full force and effect for the duration of the national energy emergency, unless extended or lifted earlier by the President. All actions taken under this Circular shall be subject to the applicable budgeting, accounting, and auditing laws, rules and regulations.

## **6.0 SEPARABILITY**

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

## **7.0 REPEALING CLAUSE**


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

## **8.0 SAVING CLAUSE**

Cases not covered in this Circular shall be referred to the DBM for resolution.

## **9.0 EFFECTIVITY**

This Circular shall take effect immediately upon publication.

  
**ROLANDO U. TOLEDO**  
Acting Secretary



**CERTIFICATION**

*(Date)*

In compliance with the Department of Budget and Management (DBM) National Budget Circular (NBC) No. \_\_ (Adoption of Economy Measures in View of the Declaration of a State of National Energy Emergency under Executive Order No. 110, s. 2026 to be Sourced from FY 2025 Continuing Appropriations) dated May \_\_, 2026, the ***(Department/Agency)*** hereby submits the amount of ***(amount in words [P\_\_\_\_\_ .00])*** as our offered savings from the identified funding source, to wit:

<b>Programs/Activities/Projects</b>	<b>Object of Expenditures</b>	<b>Amount</b>
<b>FY 2025 GAA (R.A. No. 12116)</b>		
<i>(PAP 1)</i>		
<i>(PAP 2)</i>		
<b>SUB-TOTAL, PS</b>		
<i>(PAP 1)</i>		
<i>(PAP 2)</i>		
<b>SUB-TOTAL, MOOE</b>		
<i>(PAP 1)</i>		
<i>(PAP 2)</i>		
<b>SUB-TOTAL, CO</b>		
<b>GRAND TOTAL, FY 2025 GAA, UNOBLIGATED ALLOTMENTS</b>		

We hereby undertake that such amount/s will no longer be utilized for the original purpose/s.

Prepared by:

Certified Correct by:

\_\_\_\_\_  
Budget/Finance Officer

\_\_\_\_\_  
Financial Service Head or equivalent

Approved by:

\_\_\_\_\_  
Head of the Agency



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

**NATIONAL BUDGET CIRCULAR**

No. 602

April 23, 2026

- 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-owned or -Controlled Corporations (GOCCs) and Local Government Units (LGUs) receiving budgetary support from the National Government; Budget Officers; Heads of Accounting Units; and All Others Concerned
- Subject : **ADOPTION OF ECONOMY MEASURES IN VIEW OF THE DECLARATION OF A STATE OF NATIONAL ENERGY EMERGENCY UNDER EXECUTIVE ORDER (EO) NO. 110, S. 2026<sup>1</sup>**

---

## 1.0 RATIONALE

- 1.1 EO No. 110, s. 2026, was issued declaring a State of National Energy Emergency in light of the ongoing conflict in the Middle East, and the resulting imminent danger posed upon the availability and stability of the country's energy supply.

Under Section 6 (g) of the said EO, the Department of Budget and Management (DBM) shall ensure that complementary measures and programs shall be strictly implemented in accordance with the relevant provisions under the General Appropriations Act (GAA). The DBM shall identify and make available appropriate funding sources to the national government agencies and LGUs, including the National Disaster Risk Reduction and Management (NDRRM) funds, subject to existing budgeting, accounting, and auditing laws, rules, and regulations, to support the implementation of the measures herein provided.

---

<sup>1</sup> Declaring a State of National Energy Emergency and Authorizing the Unified Package for Livelihoods, Industry, Food, and Transport

- 1.2 Office of the President Memorandum Circular (MC) No. 114, s. 2026,<sup>2</sup> directs government agencies and instrumentalities to strictly adopt energy conservation protocols.
- 1.3 Article VI, Section 25(5) of the 1987 Philippine Constitution states that no law shall be passed authorizing any transfer of appropriations; however, the President, the President of the Senate, the Speaker of the House of Representatives, the Chief Justice of the Supreme Court, and the Heads of Constitutional Commissions may, by law, be authorized to augment any item in the general appropriations law for their respective offices from savings in other items of their respective appropriations.
- 1.4 In addition, the following relevant provisions of the FY 2026 GAA, Republic Act (R.A.) No. 12314 provide that:
  - 1.4.1 General Provision (GP) No. 44 (Energy Efficiency). All national government agencies, LGUs, and GOCCs shall comply with the Government Energy Management Program (GEMP), and existing laws, rules, and regulations on energy efficiency and conservation.
  - 1.4.2 GP No. 83 (Authority to Use Savings). The President of the Philippines, the President of the Senate of the Philippines, the Speaker of the House of Representatives, the Chief Justice of the Supreme Court, the Heads of the Civil Service Commission, the Commission on Elections and the Commission on Audit are hereby authorized to augment a deficiency in any existing item of their respective appropriations in this Act.
  - 1.4.3 GP No. 85 (Rules on Augmentation). Augmentation is the act of the constitutional officers authorized to use savings in their respective appropriations in this Act to cover a deficiency in any existing item of appropriation within their respective offices.

## **2.0 COVERAGE**

All departments, agencies, and operating units of the national government, including SUCs, as well as GOCCs receiving budgetary appropriations authorized under the FY 2026 GAA.

The Legislative and Judicial branches, the Constitutional Commissions, and other offices vested with fiscal autonomy, as well as LGUs are strongly encouraged to adopt and implement the prescribed economy measures within their respective institutions. Through such cooperation, the collective efforts of the entire government will help ensure the efficient and effective promotion and protection of the interests of all Filipinos for the common good in this time of emergency.

---

<sup>2</sup> Directing All Government Agencies and Instrumentalities to Strictly Adopt Conservation Protocols

### **3.0 PURPOSES**

- 3.1 To provide guidelines for the offering and declaration of savings of identified programs, activities, and projects (P/A/Ps) under the FY 2026 GAA unobligated allotments as of March 31, 2026, of covered entities under item 2.0 hereof;
- 3.2 To provide guidelines in the use of the identified savings; and
- 3.3 To prescribe the submission of documents and reports to be used as bases for the offering and declaration of savings covering unobligated allotments.

### **4.0 GUIDELINES**

- 4.1 To generate funding sources to augment the requirements of the P/A/Ps intended to mitigate the economic and social impacts of the Middle East conflict, the following measures shall be considered in accordance with the relevant GPs of the GAA:
  - 4.1.1 For Maintenance and Other Operating Expenses (MOOE), a cost reduction by at least 20% for the following items:
    - 4.1.1.1 Travelling expenses
    - 4.1.1.2 Trainings and scholarships expenses
    - 4.1.1.3 Supplies and materials
    - 4.1.1.4 Utility expenses
    - 4.1.1.5 Representation expenses
    - 4.1.1.6 Other MOOE items that may be conserved through bureaucratic efficiency while ensuring continuous and uninterrupted delivery of public services

If there are some items from the foregoing enumeration that are deemed essential to the agency, the 20% cost reduction can be effected on the other non-essential or non-priority MOOE items.

- 4.1.2 For Capital Outlays, the following items may be deferred:
  - 4.1.2.1 Purchase of any type of motor vehicles, except those deemed critical to health, uniformed services, and disaster risk preparedness and response
  - 4.1.2.2 Construction of new government buildings/facilities, as well as other Capital Outlays that are not yet ready for implementation
- 4.1.3 In addition, to estimate the amounts corresponding to P/A/Ps which may be offered as savings in view of the prevailing conditions, all covered entities under item 2.0 of this Circular are

advised to evaluate the unobligated allotments of the FY 2026 GAA.

- 4.2 Agencies shall ensure that identified cost reductions and P/A/Ps offered as savings will not adversely affect agency performance or result in service disruptions.
- 4.3 All concerned entities shall:
  - 4.3.1 Identify and compute the savings to be offered in accordance with item 4.1 of this Circular based on their Financial Accountability Reports as of **March 31, 2026**, as prescribed under Commission on Audit (COA)-DBM Joint Circular No. 2019-1 dated January 1, 2019.
  - 4.3.2 Submit to the DBM the Certification (Annex A), specifying the source P/A/Ps and the corresponding amount to be offered, duly signed by the Head of Agency and as certified by the authorized budget and finance officers concerned, not later than **May 15, 2026**.
- 4.4 The DBM shall:
  - 4.4.1 Prepare and submit to the President a report on the P/A/Ps offered as savings to fund programs and activities in relation to the current energy emergency situation.
  - 4.4.2 Issue the following upon receipt of the agency request to augment deficient P/A/Ps, subject to the approval from the Office of the President:
    - 4.4.2.1 Negative Special Allotment Release Orders (SAROs) corresponding to the savings declared.
    - 4.4.2.2 SARO for memo entries to effect the use of savings and augmentation from the source to recipient agencies, as applicable.
    - 4.4.2.3 SAROs to fund identified deficient P/A/Ps of the departments/agencies in relation to the implementation of Unified Package for Livelihoods, Industry, Food, and Transport (UPLIFT).

The utilization of such P/A/Ps from offered savings shall be implemented by refocusing the subject P/A/Ps through modification of targets or beneficiaries to support the provision of temporary relief to various sectors.

## **5.0 APPLICABILITY**

This shall remain in full force and effect for the duration of the national energy emergency, unless extended or lifted earlier by the President. All actions taken under this Circular shall be subject to the applicable budgeting, accounting, and auditing laws, rules and regulations.

## **6.0 SEPARABILITY**

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

## **7.0 REPEALING CLAUSE**

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

## **8.0 SAVING CLAUSE**

Cases not covered in this Circular shall be referred to the DBM for resolution.

## **9.0 EFFECTIVITY**

This Circular shall take effect immediately upon publication.



**ROLANDO U. TOLEDO**  
Acting Secretary



**CERTIFICATION**

*(Date)*

In compliance with the Department of Budget and Management (DBM) National Budget Circular (NBC) No. \_\_\_\_ (Adoption of Economy Measures in View of the Declaration of a State of National Energy Emergency under Executive Order No. 110, s. 2026) dated April \_\_, 2026, the ***(Department/Agency)*** hereby submits the amount of ***(amount in words [P\_\_\_\_\_.00])*** as our offered savings from the identified funding source, to wit:

<b>Programs/Activities/Projects</b>	<b>Object of Expenditures</b>	<b>Amount</b>
<i>(PAP 1)</i>		
<i>(PAP 2)</i>		
<b>SUB-TOTAL, MOOE</b>		
<i>(PAP 1)</i>		
<i>(PAP 2)</i>		
<b>SUB-TOTAL, CO</b>		
<b>GRAND TOTAL</b>		

We hereby undertake that such amount/s will no longer be utilized for the original purpose/s.

Prepared by:

Certified Correct by:

\_\_\_\_\_  
Budget/Finance Officer

\_\_\_\_\_  
Financial Service Head or equivalent

Approved by:

\_\_\_\_\_  
Head of the Agency