

Republic of the Philippines
TARLAC STATE UNIVERSITY

Romulo Boulevard, San Vicente, Tarlac City
 Tel. No. (045) 606-8101, (045) 606-8200





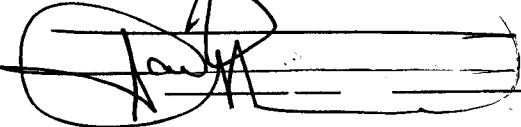

Official Website: <http://www.tsu.edu.ph> E-mail Address: pres_office@tsu.edu.ph

Referendum No. 400, s. 2023

December 6, 2023

APPROVING THE GRANTING OF COLLECTIVE NEGOTIATION AGREEMENT (CNA) INCENTIVE FOR THE FISCAL YEAR 2023 TO FACULTY AND NON-TEACHING PERSONNEL OF THE TARLAC STATE UNIVERSITY, SUBJECT TO THE PROVISIONS OF DBM BUDGET CIRCULAR NO. 2023-1 DATED NOVEMBER 10, 2023.

THE UNIVERSITY HAS AN EXISTING APPROVED COLLECTIVE NEGOTIATION AGREEMENT WITH THE TSU NON-ACADEMIC STAFF ASSOCIATION AND THE TSU FACULTY UNION. THE CNA INCENTIVE SHALL BE AT A MAXIMUM OF P30,000.00 PER EMPLOYEE, BASED ON THE AMOUNT OF SAVINGS GENERATED AND PROPORTIONATE TO THE LENGTH OF SERVICE RENDERED BY THE EMPLOYEES FOR THE YEAR 2023.

	APPROVED	DISAPPROVED	REMARKS
HON. RONALD L. ADAMAT Commissioner, CHED Chairman	_____	_____	_____
HON. ARNOLD E. VELASCO President, TSU Vice Chairman		_____	_____
HON. FRANCIS JOSEPH "CHIZ" G. ESCUDERO Chairman, Committee on Higher, Technical and Vocational Education Senate of the Philippines Represented by: ATTY. LINDLEY DELA CRUZ SANTILLAN	_____	_____	_____
HON. MARK O. GO Chairman, Committee on Higher and Technical Education House of Representatives Represented by: ENGR. DENNIS NORMAN GO		_____	_____
HON. NERRISA T. ESGUERRA Regional Director, NEDA III	_____	_____	_____
HON. JULIUS CAESAR V. SICAT Director, DOST III		_____	_____
HON. DOUGLAS C. FERRER President, TSU FPU		_____	_____
HON. REYNALDO L. CATACUTAN President, TSUFAAI		_____	_____
CHARLES TERENCE E. FERNANDEZ President, TSU Supreme Student Council		_____	_____



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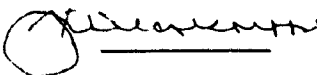
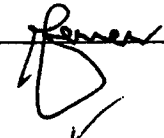

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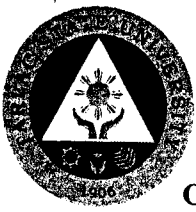
Referendum No. 400, s. 2023

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HON. RONALD L. ADAMAT Commissioner, CHED Chairman	_____	_____	_____
HON. ARNOLD E. VELASCO President, TSU Vice Chairman	 _____	_____	_____
HON. FRANCIS JOSEPH "CHIZ" G. ESCUDERO Chairman, Committee on Higher, Technical and Vocational Education Senate of the Philippines Represented by: ATTY. LINDLEY DELA CRUZ SANTILLAN	_____	_____	_____
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CHARLES TEREZ E. FERNANDEZ President, TSU Supreme Student Council	 _____	_____	_____



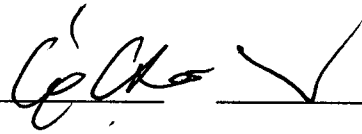
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HON. JOSE D. LACSON
Private Sector Representative



HON. CHERIE LYN F. ONIA
President
TSU Non-Academic Staff Association



CSW FORM

PROPOSAL FOR THE GRANT OF COLLECTIVE NEGOTIATION AGREEMENT (CNA)
INCENTIVE TO TSU FACULTY AND NON-TEACHING PERSONNEL
FOR YEAR 2023 SUBJECT TO DBM RULES AND GUIDELINES

A. Proponent Office: HUMAN RESOURCE DEVELOPMENT AND MANAGEMENT OFFICE

B. Action Requested: - FOR APPROVAL -

C. Rationale/Background Information

Section 81 of the General Provisions of the General Appropriations Act (GAA) for Fiscal Year (FY) 2023” provides:

“Sec. 81. Rules in the Grant of Collective Negotiation Agreement Incentive. Departments, bureaus, and offices of the National Government, including Constitutional Offices enjoying fiscal autonomy and SUCs may grant collective negotiation agreement (CNA) Incentive sourced from the allowable MOOE allotment identified by the DBM, subject to the following:

- a. There is a valid CNA executed between the agency and the recognized employee organization which includes a provision on cost-cutting measures to the undertaken collectively by the agency and its personnel;
- b. The one-time annual payment of CNA Incentive shall be made through a written resolution signed by agency representatives from both labor and management, and approved by the agency head;
- c. The CNA Incentive that may be granted shall be limited to the amount determined by the DBM; and
- d. The use of MOOE for the payment of CNA Incentive shall be subject to approval by the agency head and made only during the validity of appropriations. Any excess amounts therefrom after payment of the CNA Incentive shall revert to the General Fund.”

The Tarlac State University Faculty and Personnel Union (TSUFPU) and the TSU Non-Academic Staff Association (TSU-NASA) are duly registered and legitimate public sector labor organizations registered under Department of Labor and Employment (DOLE) and Civil Service Commission (CSC). The CNA of TSUFPU and TSU-NASA with the University were approved in October and November 2023 by the CSC, and are valid from August 30, 2023 to August 29, 2026.

I. ENTITLEMENT TO CNA INCENTIVE

The following are entitled to receive CNA Incentive:

1. All employees of the Tarlac State University, including third level/key officials, holding permanent, casual and contractual positions (GAA and Income);
2. Employees who are on official study leave; and
3. Employees who are on authorized leave.

II. NON-ENTITLEMENT TO CNA INCENTIVE

The following are NOT entitled to receive the CNA Incentive:

1. Personnel who are on absence without official leave (AWOL);
2. Persons hired under Contract of Service (charge against MOOE) or laborers hired through Job Order (*pakyaw labor*) and those paid on piecework basis;
3. Consultant and experts hired to perform specific activities or services with expected output;
4. Employees who have been dismissed from the service during the year;
5. Those who were formally charged with administrative cases and found guilty and/or meted penalties by final and executory decisions.

III. COMPUTATION OF THE CNA INCENTIVE

1. Payment of the CNA Incentive for the FY 2023 shall be determined based on the amount of savings generated by TSU from the above-mentioned MOOE items, but not to exceed Thirty Thousand Pesos (₱ 30,000.00) per qualified employee; and
2. The CNA Incentive shall be proportionate to the length of service rendered for the year 2023:

Length of Service	Percentage
6 months to less than one year	80%
3 months to less than 6 months	60%
1 month to less than 3 months	40%
Less than 1 month	10%

The University complied with the requirements set forth in the DBM Budget Circular No. 2023-1 dated November 10, 2023. Hence, the University requests for the approval of the payment of the Collective Negotiation Agreement Incentive for FY 2023 subject to the implementing rules and guidelines of DBM on the grant of CNA for FY 2023.

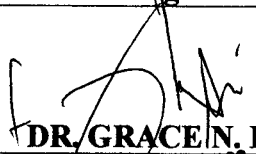
D. Supporting Documents/Legal Basis

1. General Provision of GAA FY 2023
2. DBM BC 2023-1
3. TSU Internal Guidelines on the Payment of CNA FY 2023
4. Certificate of Availability of Funds
5. Cost-Saving Measures Report and Resolution for Year 2023

E. Proposed Resolution for BOR Action

Resolution No. ____, Series 2023

APPROVING THE GRANT OF COLLECTIVE NEGOTIATION AGREEMENT (CNA) INCENTIVE TO TSU FACULTY AND NON-TEACHING PERSONNEL FOR YEAR 2023 SUBJECT TO DBM RULES AND GUIDELINES

Office	Signature	Remarks
Vice President for Administration	 DR. GRACE N. ROSETE DEC 01 2023	



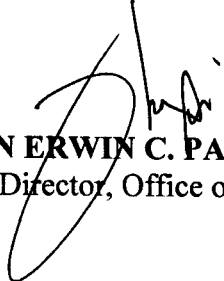
1 December 2023

CERTIFICATION

This is to certify that the university has available estimated savings of Forty-Six Million Four Hundred Four Thousand Seven Hundred Twenty-Five pesos & 22/100 (Php 46,404,725.22) under allowable Maintenance and Other Operating Expenses as a result of cost-cutting and systems improvement measures undertaken collectively by the university and its personnel, as identified in their respective CNA and supplements thereof.

This certification is being issued to support the grant of CNA Incentive for the FY 2023 pursuant to Budget Circular No. 2023-1 dated 10th of November 2023 issued by the Department of Budget and Management.


JASPER A. YAUDER, CPA
Head, Budget Management Unit


JOHN ERWIN C. PANLILIO, CPA
Director, Office of Finance





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

BUDGET CIRCULAR

No. 2023 - 1
November 10, 2023

TO : Heads of Departments, Bureaus, Offices, and Agencies of the National Government, Including Constitutional Offices Enjoying Fiscal Autonomy; State Universities and Colleges (SUCs); Government-Owned or -Controlled Corporations (GOCCs); Local Water Districts (LWDs); Local Government Units (LGUs); and All Others Concerned

SUBJECT : Guidelines on the Grant of the Collective Negotiation Agreement (CNA) Incentive for FY 2023

1.0 Background

- 1.1 Administrative Order (AO) No. 135, s. 2005¹ authorizes the grant of the CNA Incentive to government employees and directs the Department of Budget and Management (DBM) to issue the necessary policy and procedural guidelines for its implementation.
- 1.2 Item (4)(h)(ii)(aa) of the Congress Joint Resolution (JR) No. 4, s. 2009² institutionalizes the grant of the CNA Incentive as a form of reward to motivate employee efforts toward higher productivity, to wit:

"(aa) Collective Negotiation Agreement (CNA) Incentive - This may be granted to both management and rank-and-file employees of agencies with approved and successfully implemented CNAs in recognition of their efforts in accomplishing performance targets at lesser cost, in attaining more efficient and viable operations through cost-cutting measures and systems improvement xxx."

¹ Authorizing the Grant of Collective Negotiation Agreement (CNA) Incentive to Employees in Government Agencies
² Joint Resolution Authorizing the President of the Philippines to Modify the Compensation and Position Classification System of Civilian Personnel and the Base Pay Schedule of Military and Uniformed Personnel in the Government, and for Other Purposes

- 1.3 Section 81 of the General Provisions (GPs) under the FY 2023 General Appropriations Act (GAA) provides the rules in the grant of the CNA Incentive, to wit:

"Sec. 81. Rules in the Grant of Collective Negotiation Agreement Incentive. Departments, bureaus, and offices of the National Government, including Constitutional Offices enjoying fiscal autonomy and SUCs may grant collective negotiation agreement (CNA) Incentive sourced from the allowable MOOE allotments identified by the DBM, subject to the following:

- (a) *There is a valid CNA executed between the agency and the recognized employee organization which includes a provision on cost-cutting measures to be undertaken collectively by the agency and its personnel;*
- (b) *The one-time annual payment of CNA Incentive shall be made through a written resolution signed by agency representatives from both labor and management, and approved by the agency head;*
- (c) *The CNA Incentive that may be granted shall be limited to the amount determined by the DBM; and*
- (d) *The use of MOOE for the payment of CNA Incentive shall be subject to approval by the agency head and made only during the validity of appropriations. Any excess amounts therefrom after payment of the CNA Incentive shall revert to the General Fund.*

GOCCs and LGUs may likewise grant CNA Incentive to their respective personnel, subject to the policies, rules and regulations issued by the DBM."

- 1.4 Section 3 of AO No. 25³ dated December 21, 2011 mandates that the harmonized Results-Based Performance Monitoring System shall be used as a basis for determining entitlement to performance-based allowances, incentives, or compensation of government personnel, including the CNA Incentive.

2.0 Purpose

This Circular is issued to provide the policy and procedural guidelines on the grant of the CNA Incentive for FY 2023, pursuant to the laws and executive issuances stated in Item 1.0 hereof.

3.0 Coverage

This Circular covers the following civilian personnel occupying regular, contractual, or casual positions rendering services on full-time or part-time basis in national government agencies (NGAs), including Constitutional Offices

³ Creating an Inter-Agency Task Force on the Harmonization of National Government Performance Monitoring, Information and Reporting Systems

4.2.3 In all cases, the CNA Incentive shall not exceed ₱30,000 per qualified employee.

4.3 Fund Sources of the CNA Incentive

4.3.1 For NGAs, Including Constitutional Offices and SUCs

The CNA Incentive shall be sourced solely from the available balances of allowable Maintenance and Other Operating Expenses (MOOE) allotments after considering the FY 2023 requirements, provided further that the same have become available as a result of cost-cutting and systems improvement measures undertaken collectively by the agency and its personnel, as identified in their respective CNAs and supplements thereof. Such fund sources shall be limited to the following MOOE items defined under the Government Accounting and Auditing Manual:

- (a) Communication Expenses;
- (b) Repairs and Maintenance Expenses;
- (c) Supplies and Materials Expenses;
- (d) Transportation and Delivery Expenses;
- (e) Traveling Expenses;
- (f) Utility Expenses;
- (g) Printing and Publication Expenses;
- (h) Advertising Expenses; and
- (i) Subscription Expenses.

4.3.2 The following shall, in no case, be used as fund source of the CNA Incentive:

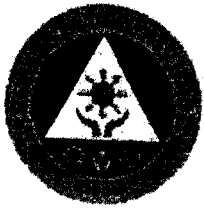
- a. Balances of allotment for programs/activities/projects which were discontinued with finality, or abandoned; and
- b. Released allotments intended for acquisition of goods and services to be distributed/delivered to, or to be used by agency clients.

4.3.3 Items under Personnel Services, all other MOOE, and/or Capital Outlay shall not be used to increase allowable MOOE items as fund source for the FY 2023 CNA Incentive.

4.3.4 For GOCCs

The CNA Incentive shall be sourced solely from the total MOOE level under their respective DBM-approved COBs for FY 2023, provided that the following conditions are complied with:

- a. Actual operating income for the period January 1 to September 30, 2023 shall, at least, meet the targeted



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OFFICE OF THE PRESIDENT

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Tarlac State University
Records and Archives Unit No.

By/Date **NOV 30 2023**

TSU Memorandum Circular

No. 30, s. 2023

November 28, 2023

GUIDELINES ON THE PAYMENT OF THE FY 2023 COLLECTIVE NEGOTIATION AGREEMENT (CNA) INCENTIVE TO ALL OFFICIALS AND EMPLOYEES OF THE TARLAC STATE UNIVERSITY

Pursuant to the provisions of the 2023-2026 Collective Negotiation Agreement (CNA) entered between the Tarlac State University (TSU) Management and the Tarlac State University Faculty and Personnel Union and the Non-Academic Staff Association (NASA), as well as the DBM Budget Circular No. 2023-1 dated November 10, 2023, the following guidelines are hereby prescribed on the payment of Collective Negotiation Agreement (CNA) Incentive for FY 2023:

I. BASIS ON THE PAYMENT OF CNA INCENTIVE

1. The incentive shall be paid in accordance with the respective provisions, terms and conditions of the two (2) Collective Negotiation Agreement (CNA) and all applicable laws, rules and regulations;
2. The CNA Incentive for the year shall be a one-time benefit to be granted not earlier than December 15, 2023 and not later than December 31, 2023, consistent with the Department of Budget and Management policy of the one-year validity of appropriations and allotments provided under Section 81 of the General Provisions of the FY 2023 GAA;
3. Personnel not presently assigned in their mother unit shall draw their CNA Incentive from their present place of assignment. No double claim of CNA Incentive shall be allowed (i.e., from mother unit and from place of assignment of the reassigned/detailed personnel); and
4. The CNA Incentive shall be granted only after the agency has submitted to DBM accountability reports as of September 30, 2023 for the year pursuant to Commission on Audit (COA)-DBM Joint Circular No. 2014-1 dated July 02, 2014, as amended by COA-DBM JC No. 2019-1 dated January 1, 2019.

II. ENTITLEMENT TO CNA INCENTIVE

The following are entitled to receive CNA Incentive:

1. All employees of the Tarlac State University, including third level/key officials, holding permanent, casual and contractual positions

2. Employees who are on official study leave; and
3. Employees who are on authorized leave.

III. NON-ENTITLEMENT TO CNA INCENTIVE

The following are NOT entitled to receive the CNA Incentive:

1. Personnel who are on absence without official leave (AWOL);
2. Persons hired under Contract of Service (charge against MOOE) or laborers hired through Job Order (*pakyaw labor*) and those paid on piecework basis;
3. Consultant and experts hired to perform specific activities or services with expected output;
4. Employees who have been dismissed from the service during the year;
5. Those who were formally charged with administrative cases and found guilty and/or meted penalties by final and executory decisions.

IV. FUND SOURCES OF THE CNA INCENTIVE

1. Payment of the CNA Incentive shall be sourced solely from the available balances of allowable Maintenance and Other Operating Expenses (MOOE) allotments as originally appropriated, after considering the FY 2023 requirements, provided further that the same have become available as a result of cost-cutting and systems improvement measures undertaken collectively by the University and the personnel, as identified in the respective CNA and supplements thereof. Such fund sources shall be limited to the following MOOE items defined under the Government Accounting and Auditing Manual:
 - a. Communication Expenses;
 - b. Repairs and Maintenance;
 - c. Supplies and Materials Expenses;
 - d. Transportation and Delivery Expenses;
 - e. Traveling Expenses;
 - f. Utility Expenses;
 - g. Printing and Publication Expenses;
 - h. Advertising Expenses; and
 - i. Subscription Expenses.

2. Savings generated from the following circumstances are not allowed to be used as fund source for the payment of the CNA Incentive:
 - a. Balances of allotment for programs/activities/projects which were discontinued with finality or abandoned;
 - b. Released allotments intended for acquisition of goods and services to be distributed/delivered to, or to be used by agency clients; and
 - c. Items under Personnel Services, all other MOOE, and/or Capital Outlay

V. COMPUTATION OF THE CNA INCENTIVE

1. Payment of the CNA Incentive for the FY 2023 shall be determined based on the amount of savings generated by TSU from the above-mentioned MOOE items, but not to exceed Thirty Thousand Pesos (P 30,000.00) per qualified employee; and
2. The CNA Incentive shall be proportionate to the length of service rendered for the year 2023:

Length of Service	Percentage
6 months to less than one year	80%
3 months to less than 6 months	60%
1 month to less than 3 months	40%
Less than 1 month	10%

VI. PROCEDURAL GUIDELINES

1. The TSU Administration shall have a separate CNA consultative meeting with TSUFPU and TSU-NASA.
2. The TSUFPU and TSU-NASA shall separately submit to the TSU Administration a report on the result of the cost-cutting and systems improvement measures undertaken collectively by the University and the employees as identified in their respective CNA's and supplements thereof;
3. The consultative meeting shall resolve to determine if the University is qualified for the grant of CNA Incentive based on compliance with the requirements under the DBM Budget Circular No. 2023-01, dated November 10, 2023;
4. If qualified, the TSU Administration shall review the University's financial records and submit recommendation for approval of the University President and the Board of Regents; and
5. Once approved, the OHRDM shall prepare the list of the employees entitled to CNA Incentive proportionate to their length of service

rendered for the year 2023, and submit the same to the
Administrative Services Unit for the payment.

VII. EFFECTIVITY

This Memorandum Circular shall take effect immediately.


DR. ARNOLD E. VELASCO
President



CERTIFICATE OF REGISTRATION

Collective Negotiation Agreement

No. 2859

Pursuant to the Amended Rules and Regulations Governing the Exercise of the Right of Government Employees to Organize, the Collective Negotiation Agreement entered into by and between the

TARLAC STATE UNIVERSITY FACULTY AND PERSONNEL UNION (TSUFPU)

and the

TARLAC STATE UNIVERSITY (TSU)
TSU Main Campus, Romulo Boulevard, Tarlac City

having complied with the prescribed requirements in the abovementioned Rules, is registered by the Commission and is binding between the parties thereof during the period of its effectivity from **August 30, 2023 to August 29, 2026.**

Issued this 12th day of October 2023 in Quezon City.


ATTY. KARLO A. B. NOGRALES
Chairperson



Attested by:


MA. THERESA C. FERNANDEZ
Director IV
Human Resource Relations Office