

REPUBLIC OF THE PHILIPPINES

DEPARTMENT OF AGRARIAN REFORM

Tunay na Pagbabago sa Repormang Agraryo



**Department of Agrarian Reform Employees Association (DAREA) –
DAR Management Consultative Committee**

RESOLUTION No. 01, Series of 2023

Re: Recommendation to the DAR Secretary CONRADO M. ESTRELLA III the simultaneous release of FY 2023 Collective Negotiation Agreement (CNA) Incentive to qualified DAR employees nationwide.

WHEREAS, the Department of Budget and Management (DBM) issued Budget Circular No. 2023-1, dated November 10, 2023, 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 of the aforementioned Circular;

WHEREAS, the grant of CNA incentive for FY 2023 is anchored on Administrative Order No. 135, s. 2005; Item (4)(h)(ii)(aa) of the Congress Joint Resolution (JR) No. 4, s. 2009; Section 81 of the General Provisions (GPs) under the FY 2023 General Appropriations Act (GAA); and Section 3 of Administrative Order (AO) No. 25 dated December 21, 2011;

WHEREAS, pursuant to item 5.0 - Procedural Guidelines. An Employees' Organization-Management Consultative Committee (Committee, for brevity) or similar body composed of representatives from management and the negotiating agent shall determine if the agency is qualified for the grant of CNA Incentive based on compliance with the requirements under the Circular;

WHEREAS, the DAR Employees Association (DAREA) is the sole and exclusive negotiating agent for the purpose of collective negotiations with the DAR, duly accredited by the Civil Service Commission (CSC). The CNA of the Association was registered with the CSC with Certificate of Registration No. 2906 dated 17 November 2023, in accordance with PSLMC Resolution No. 9, s. 2023;

WHEREAS, the DAREA and the DAR Management have shared responsibility for generation of funds and savings through effective implementation of cost savings measures as contained in Sections 1 and 2, Article VIII, CNA Incentives of the DAR and DAREA 8th Collective Negotiation Agreement 2023-2026, executed on September 14, 2023. The CNA incentive which is a one-time annual benefit shall be sourced solely from the savings generated from the MOOE allotments as provided by DBM Budget Circular No. 2023-1, dated November 10, 2023, entitled: Guidelines on the Grant of the Collective Negotiation Agreement Incentive for FY2023; provided the same have become available as a result of the cost-cutting and systems improvement measures undertaken by the agency;

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WHEREAS, the DAR has an average accomplishment of 73.77% of all the targets for the performance indicators under FY 2023 General Appropriations Act (GAA) for the period January 2, 2023 to September 30, 2023 which was generated from the sectoral offices, FOO, SSO, LAO and the Field Offices. Since the consolidated report registered an average of 73.77 % accomplishment, all employees occupying regular positions rendering service on full-time basis and those performing managerial functions are qualified to benefit from the CNA incentives;

WHEREAS, all rank and file employees who are members of the DAREA as the sole and exclusive negotiating agent of DAR accredited by the Civil Service Commission (CSC) are eligible to receive said CNA incentive;

WHEREAS, Article V, Section 2. Agency Fees. The DAR shall cause the deduction from the CNA incentive of employees who are non-members of the DAREA who have received/accepted the monetary and other benefits under this Agreement. The amount equivalent to a one (1) year monthly dues of a member will be collected and will form part of the revolving fund of the Chapter concerned;

WHEREAS, Article V, Section 3. Special Assessment Fee. Upon ratification of the CNA, the DAR shall deduct a one-time assessment fee of Five Hundred Pesos (P500.00) from the CNA incentives to be received by the members and non-members of the DAREA. The one-time assessment fee shall be deducted on the first (1st) year grant of the CNA incentive.

WHEREAS, the CNA incentive shall not exceed Thirty Thousand (P30,000.00) Pesos per qualified employee;

WHEREAS, the CNA incentive for the year shall be granted only during the validity of appropriations from which the available MOOE allotments shall be sourced;

WHEREAS, the FY 2023 CNA Incentive is a one-time benefit which shall be granted not earlier than December 15, 2023 but not later than December 31, 2023;

WHEREAS, the amount paid as CNA incentive shall be recorded in the agency books under the account code "Collective Negotiation Agreement Incentive-Civilian," "Other Benefits," and "Collective Negotiation Agreement Incentive" for National Government Agencies (NGAs);

WHEREAS, in consideration of the determination made by the DAR and DAREA Negotiating Team affirming the accomplishment of the DAR, presence of savings and cost-cutting measures, the following recommendations are hereby submitted for the approval of the DAR Secretary Conrado M. Estrella III, and once approved shall form part of the internal guidelines supplementing the DBM Budget Circular No. 2023-1, dated 10 November 2023 which shall be adopted across all regional and provincial offices of the DAR:

1. Consistent with the principle of equity as a contributor to the accomplishment of 73.77% of all targets for all performance indicators under FY 2023 GAA for the period January 2, 2023 to September 30, 2023 generated from the sectoral offices – FOO, SOO and LAO and the Field

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Offices. An employee who is in the service up to October 31, 2023 shall be allowed the full enjoyment of ₱30,000.00 subject to availability of funds generated from MOOE savings for the purpose.

2. A new regular employee must render service for at least three (3) months as of September 30, 2023 and has paid the corresponding agency fee for FY 2023 in order to qualify to receive CN incentive proportionate to the month he/she served under the Department.
3. An employee who has resigned, retired or transferred during the current year before the Department's accomplishment of at least an average of 70% of all the targets under FY 2023 Major Final Outputs (MFO) on or before October 31, 2023 is entitled to this monetary benefits in proportion to the length of time he/she started working during the calendar year up to the time of his/her resignation or severance from the service. Thus, if he/she worked only from January 2, 2023 to September 30, 2023, his/her proportionate CNA pay should be equivalent to $1/12$ of the 30,000.00 or $30,000.00/12 \times 9$ months, thus, $2,500.00 \times 9 = 22,500.00$.

The same shall apply to other government employees who transferred to the DAR provided there is no gap in the services rendered. Thus, an employee of another government agency who transferred to the DAR earlier than October 31, 2023 is entitled to the proportionate amount, subject to payment of agency fee pursuant to Item 3.2 of DBM Budget Circular 2023-1, dated 10 November 2023, and submission of Certification of Employment from his/her former employer/government agency. Thus, a government employee who transferred to the DAR on July 1, 2023 will be entitled to proportionate CNA where: $30,000.00/12 \times 4$ months or $2,500.00 \times 4 = 10,000.00$.


4. An employee who has resigned, retired or transferred to another government agency after October 31, 2023 is qualified to the full amount of CNA incentive which can be given based on available savings generated by his/her previous office for the purpose.
5. DAR regular employees/DAREA members who are under suspension without pay or on leave without pay are only entitled to the CNA incentive at the time that they have rendered services.

WHEREFORE, premises considered, the grant and release of the CNA incentive of not more than Thirty Thousand (30,000.00) Pesos or proportionate thereof to all qualified employees of the DAR nationwide not earlier than 15 December 2023 as per DBM Circular No. 2023-1, under par. 4.4 – Payment of the CNA Incentive, subpar. 4.4.1 dated 10 November 2023, subject to available MOOE savings of their respective offices and issuance of SARO by the DBM for the purpose is hereby strongly recommended for the approval of the DAR Secretary.

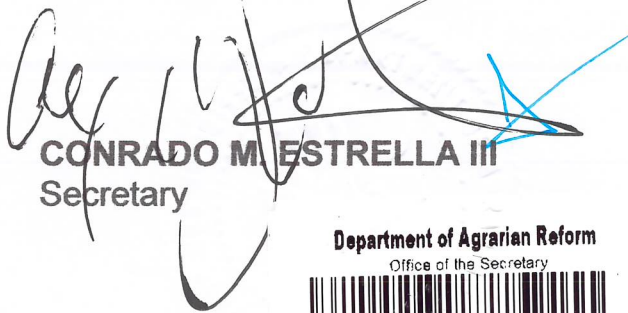
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Signed this 06 day of December 2023, in DAR, Diliman, Quezon City.


EDNA L. ROTA
National President, DAREA


LANI C. DE LEON
Undersecretary, FMAO-DAR

Approved:


CONRADO M. ESTRELLA III
Secretary

Department of Agrarian Reform
Office of the Secretary

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