



TANGGAPAN NG KOMANDANTE
(OFFICE OF THE COMMANDANT)
PAMBANSANG PUNONGHIMPILAN TANOD BAYBAYIN NG PILIPINAS
(National Headquarters Philippine Coast Guard)
139 25th Street, Port Area
1018 Manila

MEMORANDUM

To : **All PCG Units**

From : **COMMANDANT, PHILIPPINE COAST GUARD**

Subject : **Resource Management Guidelines for FY 2026**

Date : **28 AUG 2025**

1. To promote the optimal use of resources, avoid unnecessary expenditures, and support the PCG operations efficiently without delay due to resource constraints, the Office of the Deputy Chief of Coast Guard Staff for Comptrollership, CG-6, has developed the Resource Management Guidelines for FY 2026. These guidelines serve as a reference for establishing a structured approach to planning and program execution, while also promoting accountability in resource management and utilization.
2. The following are the Resource Management Guidelines for FY 2026:
 - A. The implementation of the Calendar Year 2026 appropriations shall be in accordance with the provisions of the **General Appropriations Act (GAA) for Fiscal Year (FY) 2026**, existing laws, rules and regulations.
 - B. **Use of Government Funds:** Government funds shall be utilized in accordance with the appropriations authorized for the purpose and shall comply with applicable laws, rules, and regulations, such as, but not limited to, the following:
 - a. **Payment of authorized local and foreign travel expenses** of any PCG personnel shall be made in accordance with the provisions of EO Nr. 77 "Prescribing Rules and Regulations and Rates of Expenses and Allowances for Official Local and Foreign Travel of Government Personnel" and NHQ-PCG/CG-6 SOP Nr 13-22 "Internal Guidelines on Official Local and Foreign Travels of PCG Employees" dated 20 December 2022.



a.1 A certification by the Unit Commander must be submitted confirming that no accommodation was provided to the personnel during their stay within the unit's area of responsibility. This certification is required to support the personnel's claim for Daily Travel Expenses (DTE) or Daily Subsistence Allowance (DSA).

a.2 All endorsements for local travel or foreign travel related to official duties must be coursed through and approved by the Deputy Chief of Coast Guard Staff for Human Resource Management, CG-1 (Program Director for local travel) and the Deputy Chief of Coast Guard Staff for International Affairs, CG-5 (Program Director for foreign travel) respectively, prior submission to O/CG-6. The Program Directors hold the authority to review and validate all requests for authorized official business travel.

a.3 All local and foreign travel reimbursement requests must be submitted for funding not later than 30 days following the completion of the travel.

a.4 To ensure timely processing of pre-payment, the complete travel documents must be submitted at least seven (7) working days before the actual date of travel.

a.5 In cases where there is a significant difference between the approved cash advance and the submitted liquidation, a written explanation must be provided.

b. **Purchase of motor vehicles** shall be made pursuant to A.O. No. 14 "Consolidating and Rationalizing the Rules on the Acquisition of Government Motor Vehicles, Adopting a Centralized System of Procurement Therefor, and for Other Purposes", s. 2018, GPPB Resolution No. 20-2019 "Approving the Delisting of Motor Vehicles in the List of Common-Use Supplies and Equipment of the Procurement Service" dated September 5, 2019, Budget Circular (B.C.) No. 2022-1 Omnibus Guidelines on the Acquisition, Use, Rental, and Replacement of Government Motor Vehicles" dated February 11, 2022, B.C. No. 2022-1A dated March 1, 2023, and such other pertinent guidelines.

c. **All PCG land vehicles and equipment that have not been entered in the Book of Accounts shall not be allocated resources.** To ensure proper accountability and transparency, only vehicles and equipment that are duly registered, accounted for, and listed in the Book of Accounts will be eligible for resource allocation, including maintenance, repair, and operational expenses.

d. **Repairs for vessels and aircraft that are scheduled for decommissioning are highly discouraged.** Resources allocated for



repairs should be focused on assets that are expected to remain operational for the foreseeable future, ensuring cost-effectiveness and optimal use of funds. Likewise, repair activities for equipment, vehicles and vessels that are categorized as **beyond economical repair** are highly discouraged, as prescribed under COA DBM Joint Circular No. 2024-1 "Revised Manual on the Disposal of Government Properties" dated 30 January 2024.

e. PCG funds must be used for public purposes directly related to the functions and responsibilities of the agency. Purchases meant to be donated, using government funds, unless authorized by law, are **not** allowed (ex: procurement of food, wheelchairs, medicines, medical equipment, toiletries and similar items for Senior Citizens, Youth and PWDs)

f. All expenditures must be in accordance with COA Circular 2012-003 "Updated Guidelines for the Prevention and Disallowance of Irregular, Unnecessary, Excessive, Extravagant and Unconscionable Expenditures", dated 29 October 2012. Irregular, unnecessary, excessive, extravagant and unconscionable expenditures are subject to audit and disallowance, such as the following:

1. Overpricing of purchases, characterized by grossly exaggerated or inflated quotations, in excess of the current and prevailing market price by a 10 percent variance from the purchased item;
2. Payment for repair of government equipment at a cost exceeding 30 percent of the current market price of the same or similar equipment;
3. Procurement of materials/items in excess of the requirements, which have a limited useful life;
4. Procurement and use of luxury vehicles by government officials;
5. Luxurious furnishings for government buildings;
6. Purchase of wines, liquors and cigarettes;
7. Donations, contributions, grants and gifts, except if said activities are undertaken pursuant to the mandate of the PCG; and
8. Other similar activities that are stated in COA Circular 2012-003.

C. **Cash-Based Budgeting:** The PCG shall strictly adhere to the cash-based budgeting system, ensuring that the allocation, management, and utilization of funds are directly aligned with available resources. The projected budget requirements of Programs, Activities and Projects (PAPs) shall be implemented and paid for within the fiscal year.

D. **Budget and Proposals:** Documentary requirements for Personnel Services (PS), Capital Outlay (CO), and Maintenance and Other Operating



Expenses (MOOE) Tier 1 and Tier 2 Budget and Program Proposals should be diligently submitted before the scheduled deliberation of the proposals.

E. Validity of Funds for PS, MOOE and CO: The utilization of PS, MOOE and CO Funds for FY 2025 and FY 2026 shall be maximized within their respective validity periods:

- a. **PS:** Valid until 31 December 2026
- b. **MOOE and CO:**
 - **FY 2025 Continuing Funds:** Valid until 31 December 2026
 - **FY 2026 Appropriations:** Valid until 31 December 2027

All concerned units are expected to ensure the optimal use of these funds within the stipulated timelines to avoid lapsing and to meet their operational and project needs efficiently.

F. Strict Adherence to Procurement Laws, Rules and Regulations: Purchase of goods, infrastructure projects, and consulting services, including common-use supplies, shall be made in adherence to the provisions of **RA 9184 or RA 12009 "New Government Procurement Act", its IRR, and GPPB guidelines**. The **Philippine Government Electronic Procurement System (PhilGEPS)** shall be the primary source of information and channel for the conduct of all government procurement activities.

G. Early Procurement Activities (EPA): Notwithstanding the mandatory procurement timelines under RA 9184 or RA 12009, PCG units are authorized to undertake EPA as soon as the proposed national budget is submitted to Congress. However, they may proceed with the issuance of notice of award of contract only (a) upon the approval or enactment of their respective appropriations; (b) issuance of budget authorization document; and (c) based on the amount authorized therein.

For foreign-assisted projects, agencies may undertake early procurement activities, subject to the guidelines prescribed under GPPB Circular No. 06-2019 dated July 17, 2019, and such other guidelines issued thereon.

All concerned units shall undertake EPA and ensure that at least fifty percent (50%) of the total budget for MOOE and CO is allocated in compliance with the Performance-Based Bonus (PBB) requirements. This allocation must adhere to the guidelines established by the Department of Budget and Management (DBM) and the Civil Service Commission (CSC), aligning with the performance targets and outcomes set for the fiscal year.

Each unit shall ensure that these funds are efficiently and effectively utilized to meet PBB eligibility criteria and to support the Philippine Coast Guard's overall objectives. Non-compliant unit may NOT be eligible or isolated from the receipt of the PBB. DCCGS for Logistics, CG-4 and the respective Logistics Officer shall issue the procurement directive, Commander, CGPS and



respective Procurement Officers shall ensure the conduct of EPA and Commander, CGLSC and Commanders, LFMC shall monitor the execution of EPA.

H. The **Philippine Coast Guard's Annual Plan and Budget (APB)** for Calendar Year (CY) 2026 outlines the **programs, activities, and projects (PAPs)** of the Command in line with its strategic objectives. All commands shall closely coordinate with their respective program directors before the finalization of PAPs to ensure alignment with strategic priorities and effective resource planning.

This document will serve as the primary basis for the execution of the respective budgets and all Command undertakings, ensuring that resources are effectively allocated and operations are supported and aligned with the PCG's goals and priorities for the year.

I. The **approved APB (form 1-A), Plan (PPMP) as reflected in the Integrated Budgeting and Procurement Planning System (IBPPS)** shall serve as the primary reference for all procurement activities. For the effective execution of the budget, all programmed PAPs in the approved APB must be accompanied by the **Statement of Implementation Plan, Allotments, Obligations, and Balances (SIAOB) (Annex A)**. This shall be prepared by the PCG unit's budget officer and certified by the respective Unit Commanders. The SIAOB shall be attached as a documentary requirement along with the funding request.

A **Disposition Form (DF)** will not be required for the PAPs reflected in the IBPPS. It will only be required for unforeseen or unprogrammed activities, as well as for any necessary fund adjustments to programmed activities.

J. **Procurement of Common-Use Supplies and Equipment.** Consistent with A.O. No. 17, s. 2011, all PCG units shall procure their common-use supplies from the **Procurement Service – Department of Budget and Management (PS-DBM)**. Common-use Supplies and Equipment shall refer to goods, materials, and equipment included in the Electronic Catalogue of the PhilGEPS, which are necessary in the transaction of the official business of the procuring entity and consumed in its day-to-day operations.

The O/CG-4 shall provide the ceiling of common-use supplies to all PCG units.

K. **Procurement of Critical Supplies:** All PCG units shall ensure the timely and sufficient provision of critical supplies, particularly those by their nature, use or characteristic, the quantity requirement or exact time of need cannot be accurately pre-determined. Critical supplies are vital operational resources that are limited or anticipated to be in short supply due to various reasons. This includes fuel, equipment, spare parts and other analogous items.



The critical supplies to be procured shall not exceed the PCG unit's **two-month requirement**. This may be increased in any of the following instances:

- a. In anticipation of a cost increase;
- b. Necessitated by a national emergency; and
- c. When there is an impending shortage.

The purchase of stocks exceeding the one (1) year requirement shall be subject to approval by the President of the Philippines, upon the joint recommendation of the Chairperson of the COA and the agency head concerned.

PCG units may undertake emergency procurement of supplies, materials, and equipment, and spare parts when there is an unforeseen contingency requiring immediate purchase, subject to the conditions prescribed under RA 9184 or RA 12009, its IRR, and GPPB guidelines.

L. Use and Procurement of Information and Communication Technology Equipment (ICT): ICT equipment, inclusive of operating systems, basic software, and other essential electronic devices, shall be procured exclusively from the PS-DBM as common-use supplies and equipment pursuant to L.O.I. No. 755 "Relative to the Establishment of an Integrated Procurement System for the National Government and its Instrumentalities", E.O. No. 359 "Reiterating the Policy and Prescribing Guidelines and Procedures in the Implementation of the Provisions of Executive Order No. 285, (Abolishing the General Services Administration and Transferring its Functions to Appropriate Government Agencies) on the Operation of a Procurement System for Common-Use Office Supplies, Materials and Equipment", and A.O. No. 17 Amendment of Rule III, Adm. Order No. 07 Rules of Procedure of the Office of the Ombudsman".

M. Compliance with the Information Systems Strategic Plan (ISSP): The provision for the ICT requirements shall be in accordance with the PCG's ISSP, subject to compliance with the rules and regulations issued by the Department of Information and Communication Technology (DICT), and consistent with the Medium-Term Information and Communication Technology Harmonization Initiative.

The O/CG-11 shall consolidate the list of all ICT equipment from all PCG units in order to update its records for monitoring and other purposes. Likewise, all units shall submit records of existing, procured and a list of ICT equipment for procurement to O/CG-11.

N. Printing Expenditures: PCG units shall engage the services of the National Printing Office, Bangko Sentral ng Pilipinas (BSP) and APO Production Unit as **recognized government printers (RGPs)** for the printing of accountable forms and sensitive, high-quality or high-volume requirements.

Engagement of private printers may be allowed upon certification by the RGP that they are unable to service the printing requirements. Said engagement of private printers shall be in accordance with R.A. No. 9184 or RA 12009 and its IRR, and GPPB guidelines.

O. **Bulk Procurement and Repairs:** All bulk procurement and repairs shall be **completed within the first semester of the year**. This ensures that the necessary resources and equipment are acquired and operational early in the fiscal year, enabling the smooth execution of programs and activities.

P. **Certification of Availability of Funds.** No obligations chargeable against any authorized allotment shall be incurred without first securing a certification of availability of funds (CAF) for the purpose from the Chief Accountant, subject to Section 40, Chapter 5, and Section 58, Chapter 7, Book VI National Government Budgeting of E.O. No. 292 "The Administrative Code of 1987". The CAF, sufficient to cover the cost of the contracted activities, shall be contained in, and made part of the contract, duly signed by the Chief Accountant.

The contract (**Annex B**) must also contain a section where a witness from the procuring entity and a witness from the supplier sign the contract.

For multi-year projects, the CAF shall be issued annually based on the budget for the year. In case of multi-year projects with no funding requirement on any given year, instead of the CAF, the chief accountant shall issue a certification that no fund is needed for the year, as indicated in the approved **multi-year contractual authority (MYCA)**.

Q. **Physical Inventory:** A physical inventory shall be conducted to all PCG units at least once a year (a) to verify the existence and physical condition of inventory items in stock and PPEs owned and (b) to reconcile the inventory with the records reported in the Book of Accounts and Financial Statements.

R. **Training Expenses:** The registration or participation fee for conventions, conferences, seminars, and symposia, etc. conducted primarily to share, discuss, or disseminate ideas or information on developments in a particular field or fields of interest by professional organizations or groups of common interest where government personnel are members shall **not exceed Php 2,800 per day per participant**. This excludes seminars and training designed to enhance and strengthen the participants' skills and technical or management expertise relevant to the performance of their official duties and responsibilities (DBM National Budget Circular No 596 "Updated Guidelines on Participation of Government Officials and Employees in Conventions, Seminars, Conferences, Symposia, and Similar Non-Training Gatherings Sponsored by Non-Government Organizations or Private Institutions" dated 20 January 2025).

Membership and similar fees paid for personal or individual membership in a private organization shall be for the account of the member concerned and shall not be charged to agency funds.



S. **Cultural and Athletic Activities:** An amount not exceeding **One Thousand Five Hundred Pesos (P1,500.00) in a year** may be used for the purchase of a uniform or costume and other related expenses in the conduct of cultural and athletic activities per personnel-participant.

Cultural activities encompass a wide range of expressions, including language, religion, customs, art forms, social institutions, and economic practices that reflect the shared values, beliefs, traditions and way of life of a particular group or society. These include, but are not limited to, Independence Day commemoration, cross-cultural dialogues and interactions, community engagements and other official cultural activities where the PCG is the host or a participant. Athletic activities, on the other hand, include sportsfest activities, sports leagues where PCG is a participant and other activities that improve physical fitness and help develop coordination, strength and endurance.

The attire or uniform shall be dependent on what the activity necessitates. Peculiar clothing not covered above shall not be governed by this provision.

T. **Annual Planning, Performance Review, and Organizational Assessment (APPROA):** APPROA shall be conducted **within the first semester** of the year. CG Districts, Commands, and Parent Units may download and allocate funds to their sub-units, if not previously allocated, to ensure the smooth and effective execution of this activity. An **After-Activity Report**, including the list of participants and photos during the activity, should be submitted to O/CG-3 and a copy furnished to O/CG6 within 30 days after the completion of the activity. These reports will be subjected to audit and review for adherence to existing auditing rules and regulations.

U. **Programs and Projects Related to Senior Citizens and Persons with Disability:** All PCG units shall formulate plans, programs and projects intended to address the concerns of senior citizens and persons with disability insofar as it relates to the PCGs' mandated functions and integrate the same into the regular activities.

Moreover, all PCG infrastructures and facilities shall provide architectural or structural features, designs or facilities that will reasonably enhance the mobility, safety and welfare of persons with a disability (ex: provisions for ramps, priority lanes, grab bars or handrails for hallways, walkways and comfort rooms) pursuant to Batas Pambansa Blg. 344 and R.A. No. 7277, as amended.

All PCG Units shall ensure tagging of Senior Citizens and PWD-related PAPs in the IBPPS. This is crucial for the effective consolidation, systematic

programming, and transparent accounting of initiatives, thereby promoting inclusive planning and equitable resource allocation for the vulnerable sectors.

V. Projects Related to the Youth: All PCG units are encouraged to provide allocations for youth development projects and activities within the framework of the Philippine Youth Development Plan (2023-2028), insofar as it relates to PCGs' mandated functions and integrate the same into the unit's regular activities (ex: awareness programs in Basic Life Support, Family Support and Parenting Programs, Teenage Pregnancy, and other PCG info-drive).

W. Programs and Projects Related to Gender and Development (GAD): All PCG Units shall formulate a GAD Plan designed to address gender issues within their concerned area of responsibility or mandate and implement the applicable provisions under RA 9710 or the Magna Carta of Women, Convention on the Elimination of All Forms of Discrimination Against Women, the Beijing Platform for Action, the Philippine Plan for Gender-Responsive Development (1995-2025), and the Philippine Development Plan (2017-2022).

The GAD Plan shall be integrated into the regular activities of PCG Units, which shall be at least five percent (5%) of the Unit's budget. Funds allocated for GAD must be utilized for a minimum of two (2) distinct initiatives, exclusive of the Women's Month celebration and VAWC, as it is provided with separate funding. These activities should align with the PCG's commitment to promoting gender equality and responsiveness, empowering all personnel.

All PCG Units shall ensure tagging of GAD-related PAPs in the IBPPS for consolidation, programming and accounting purposes. All PCG Units shall ensure the proper tagging of GAD-related PAPs in the IBPPS. This is essential for the accurate consolidation, effective programming, and transparent accounting of GAD initiatives, thereby supporting gender-responsive planning and resource allocation across the organization

The GAD activities should be implemented during the second and or fourth quarter of the year. It shall **not** be limited only to orientations, seminars and symposia and other capacity-building activities (ex: provisions for comfort rooms, quarters, breastfeeding rooms, childcare facility).

CG Districts, Commands, or Parent Units may download and allocate funds to their sub-units, if not already allocated, to ensure the successful execution of these activities. An **After-Activity Report**, including the list of participants and photos during the activity, as may be necessary, should be submitted to HRMC through the GAD Center and a copy furnished to O/CG6 within 30 days after the completion of every activity. These reports will be subjected to audit and review for adherence to existing auditing rules and regulations.

X. Unit Anniversary: The conduct of pre-anniversary activities and anniversary celebrations shall be permitted exclusively for the National



Headquarters (NHQ-PCG), Coast Guard Districts, and Commands or Parent Units only. These activities must be executed in a manner that reflects the values and priorities of the PCG, ensuring that they contribute to the morale and the overall objectives of the organization, within the approved budgetary restrictions. Any adjustment to this purpose or request for additional funds must be justified and approved through the appropriate channel or authority.

Y. Change of Command: Funds allocated for Change of Command activities shall be strictly utilized for turnover-related events within the National Headquarters (NHQ-PCG), Coast Guard Districts, and Commands or Parent Units. These funds must be used solely for activities that facilitate a smooth and efficient transition of leadership, such as ceremonies, official handovers, and related administrative procedures.

Z. Testimonial Honors: Funds allocated for the conduct of Testimonial Honors for retiring PCG personnel shall be utilized in strict adherence to NHQ-PCG/CG-3 SOP 10-19 "Rendering Testimonial Honors for Retiring PCG Personnel".

These honors are specifically designated for the following personnel who have made significant contributions to the organization:

- a. PCG Flag Rank Officers
- b. Commanders and Deputy Commanders holding the rank of Captain (O-6)
- c. Non-officer personnel holding the rank of Chief Petty Officer (CPO) and above who occupy key positions
- d. Civilian Employees, specifically the Head of Civilian Affairs

These funds must be allocated and utilized solely to recognize and honor the exemplary service and contributions of these individuals, in alignment with established policies and organizational standards. Any deviation from these guidelines must be justified and approved through the appropriate channel or authority.

AA. Meal Rates: For activities utilizing PCG premises as a venue for official functions, the allowable rate for food and beverages per participant shall **NOT** exceed the following:

With only PCG personnel as attendee:		
	Packed Meals	Buffet Set up
Breakfast	Php 200.00	PhP 300.00
AM Snacks	Php 150.00	Php 200.00
Lunch	Php 400.00	Php 600.00
PM Snacks	Php 150.00	Php 200.00
Dinner	Php 400.00	Php 600.00

With VIPs:		
	Packed Meals	Buffet Set up



Breakfast	Php 300.00	Php 400.00
AM Snacks	Php 250.00	Php 300.00
Lunch	Php 500.00	Php 700.00
PM Snacks	Php 250.00	Php 300.00
Dinner	Php 500.00	Php 700.00

With VVIPs		
	Packed Meals	Buffet Set up
Breakfast	N/A	Php 1200.00
AM Snacks	N/A	Php 800.00
Lunch	N/A	Php 2000.00
PM Snacks	N/A	Php 800.00
Dinner	N/A	Php 2000.00

VIPs include the following:

- The Cabinet Secretaries
- Local Government Heads
- Associate Justice of the Supreme Court
- Head of Agencies during inter-agency meetings
- Stakeholders who are Head of Public and Private entities
- Trainers/Lecturers, Resource Speakers for training, seminars and workshops from other agencies/institutions

VVIPs include the following:

- President of the Philippines
- Vice President of the Philippines
- Members of the Legislative Branch
- Chief Justice of the Supreme Court
- Heads of State
- Foreign Dignitaries

For activities that do not require the whole day, only snacks shall be provided. However, meals may be provided for short activities or meetings during 0600H-0800H (breakfast), 1100H-1300H (lunch) and 1700H-2000H (dinner).

Whole day activity shall consist of either one of the following meal provisions:

- Breakfast, Lunch and PM Snacks
- Breakfast, Lunch and Dinner
- AM Snacks, Lunch and PM Snacks
- AM Snacks, Lunch and Dinner

BB. Lease of Venue: All PCG Units shall give preference to the **Philippine International Convention Center (PICC) facility** in Metro Manila area as a venue for official events pursuant to Memorandum Circular No. 14 "Directing Government Departments, Bureaus, Offices, Agencies, And Instrumentalities to Give Preference to the Philippine International Convention Center as Venue for Their Official Events" dated 14 February 2017 from the Office of the



President of the Philippines. If the PICC is not available or the event will be held outside Metro Manila area, PCG units shall resort to **other publicly-owned venues**.

In the event that PCG units would resort to a **privately-owned venue**, the procuring entity shall take into consideration the need for prudence in government service, suitability to the nature of the activity, accessibility to the participants, and safety and security of the proposed location, among others. The Unit/Office Commander shall justify that the same is more efficient and economical to the government. The end-user unit shall conduct a **Cost-Benefit Analysis** to assess the feasibility of leasing a privately-owned venue applying the guidelines as set forth in the Implementing Guidelines for Lease of Privately-owned Real Estate and Venue – Annex A of RA 9184.

For special or major activities utilizing other venues or other service providers, the allowable rates should **NOT** exceed the following:

Particulars	Amount
Lease of Venue (with PCG personnel as attendee)	P 1700/pax/day
Lease of Venue (with PCG personnel as attendee and CPCG/DCO/DCA as GOHAS)	P 2000/pax/day
Lease of Venue (with VIPs as guests)	P 2500/pax/day
Lease of Venue (with VVIPs as guests)	P 3500/pax/day
Lease of Venue (live in, with PCG personnel)	P 2500/pax/day
Lease of Venue (live in, with PCG personnel and other guest below SG-22 as attendee)	P 3500/pax/day
Lease of Venue (live in, with PCG personnel and other guest above SG-22 as attendee)	P 4000/pax/day

The corresponding allowable expenses chargeable to the rates indicated above shall include:

- accommodation (*live-in*)
- meals and snacks, free-flowing coffee
- internet/ wifi connectivity
- use of the function room/s
- basic sound system, LCD projector and screen

CC. Energy Efficiency: PCG units shall comply with the Government Energy Management Program (GEMP), existing laws, rules and regulations in energy efficiency and conservation including (a) the adoption of a standard thermostat level based on the Department of Energy's (DOE) conservation program; (b) the use of energy-efficient lighting such as light-emitting diode (LED) lamps in office buildings and similar facilities; and (c) the use of inverter type air-conditioning units or similar equivalent technologies.

The O/CG4 shall consolidate reports of energy efficiency and conservation measures.

DD. Mainstreaming Green Practices: All PCG units shall, in the implementation of their respective programs, activities, and projects, institute practices that promote the protection and conservation of the environment, directed towards sustainability and mitigation of the effects of climate change including the practice of energy efficiency and conservation, recycling initiatives, and exploring alternative solutions that promote conservation of natural resources.

EE. Disaster Risk Reduction and Climate Change Adaptation and Mitigation Measures: PCG units should implement projects incorporating risk reduction, climate change adaptation, and where feasible, climate change mitigation. Units shall likewise integrate energy-saving solutions and consider climate resilience in the planning and implementation of all infrastructure projects, office programs, and activities, as well as assess their organizational carbon footprint and pursue appropriate emission reduction measures, to mitigate and adapt to the effects of climate change pursuant to the provisions of R.A. No. 9729 "An Act Mainstreaming Climate Change into Government Policy Formulations, Establishing the Framework Strategy and Program on Climate Change", as amended.

FF. Climate Budget Tagging: All PCG units shall ensure tagging of climate change adaptation and mitigation PAPs in the IBPPS. PCG units shall tag their budgets for climate change adaptation and mitigation in accordance with the DBM-CCC J.M.C. No. 2015-01 "Revised Guidelines for Tagging/Tracking Climate Change Expenditures in the Local Budget (Amending JMC 2014-01, dated August 7, 2014)" dated March 24, 2015. The results of the budget tagging shall guide the formulation of subsequent budgets to mainstream climate change adaptation and mitigation strategies in the national development process.

The O/CG-9 shall consolidate reports of climate change adaptation and mitigation initiatives of the PCG.

GG. Monitoring of Funds for Utilities: All PCG units shall provide necessary support and diligently monitor the actual utilization of funds for utilities, including electricity, water, and other essential services. Each unit is also responsible for implementing measures that promote resource sustainability, ensuring compliance with energy conservation policies and



practices. These actions will help optimize resource usage, reduce unnecessary expenditures, and align with the PCG's commitment to environmental sustainability.

HH. **Mandatory Expenditures:** The amounts programmed for petroleum, oil and lubricant, water, illumination, and power services, telephone and other communication services, and rental expenses shall be disbursed exclusively for such items of expenditures. Any available budget from these items after taking into consideration the full-year requirements may be modified only in the **last quarter**.

II. **Petty Cash:** All petty cash funds shall be strictly executed based on the submitted IMPLAN. All units shall submit the list of petty cash fund custodians (PCFC) during the first Friday of January 2026 to O/CG-6. New petty cash fund custodians shall be bonded before the end of the year and shall establish a cash advance within January of 2026.

At the end of the year, all unreplenished PCF expenses shall be reported and supporting papers submitted to the Accounting Service Office/Unit to record the expenses incurred for the period to which they relate.

JJ. **Ownership of PCG Land and Water Assets and Real Properties:** All PCG units shall ensure full ownership of all land and water assets and real properties under their respective areas of responsibility. PCG Units shall provide necessary support and diligently monitor the status of vehicle registration and real property titling.

KK. **Budget Structure Compliance:** The PCG shall (a) ensure that at least 50% of the total budget will be allocated for operational activities directly supporting the execution of PAPs aimed at achieving the PCG's strategic objectives and fulfilling its core missions; and (b) the remaining 50% of the budget shall be allocated to **support to unit operations**, which covers resources needed to sustain and enhance the effectiveness of various PCG units and **general administration and support functions** that are essential for the day-to-day operations of the PCG office/unit.

LL. **PCG System of Management (SOM):** Enhancement of the implementation of the PCG System of Management (SOM) process to ensure the efficient and effective utilization of resources—personnel, equipment, supplies, and facilities—while aligning with the overarching goal of achieving the PCG's strategic objectives.

MM. **Realignment:** Request for realignment will **NOT** be permitted during the **first quarter of the year**. **Realignment shall only be allowed once**, except for realignments intended for mandatories. This aims to ensure the integrity and stability of the initial budget allocations and program schedules. Any request for realignment must be supported with a detailed justification and supported with documentary requirements to be submitted to O/CG-6.

Only realignment of mandatories is allowed during the 4th quarter to be submitted **not later than 15 October 2026**. All requests for realignments submitted after the set deadline will not be considered. This initiative limits the units from intentional realignment of unimplemented PAPs to avert the capture of funds.

Request for realignments must reflect the data presented in the sample table, herewith follows:

PAPS	ALLOTED BUDGET	REALIGNMENT		BALANCE AFTER REALIGNMENT
		From	To	
I. UNIT OPERATIONS				
PAP TITLE	Php 1xx,xxx.xx	(Php 2x,xxx.xx)		Php 8x,xxx.xx
PAP TITLE			Php 2x,xxx.xx	Php 2x,xxx.xx
II. SUPPORT TO UNIT OPERATIONS				
PAP TITLE	Php 2xx, xxx.xx	(Php 45, xxx.xx)		Php 155, xxx.xx
PAP TITLE	Php 10, xxx.xx		Php 25, xxx.xx	Php 35, xxx.xx
III. GENERAL AND ADMINISTRATIVE SUPPORT				
PAP TITLE	Php 15, xxx.xx		Php 2x, xxx.xx	Php 35, xxx.xx
TOTAL	Php 325, xxx.xx	(Php 65, xxx.xx)	Php 65, xxx.xx	Php 325, xxx.xx

The request shall be submitted together with the revised PPMP (**Annex C**) reflecting the realigned funds for subsequent encoding in the IBPPS upon approval.

Funds allocated for **Travel, Mandatories, Petty Cash, GAD Activities** and **APPROA** shall **NOT** be utilized for other purposes or realigned to other PAPs.

Realignment or utilization of residual and unimplemented funds is strictly prohibited. A residual fund typically refers to any remaining funds left over after all obligations and expenses have been paid. Any funds remaining from residual and unimplemented PAPs at the end of every quarter must be reallocated to other priority PAPs of the Command. Likewise, **all residual funds from the Approved Budget for the Contract (ABC) for major or big-ticket projects** shall be submitted to the PBAC Secretariat for review.

NN. Rules on Modification in the Allotment: Units/offices may request to **modify/realign allotments** under their APB **within the same PAP**, subject to the endorsement of the DCCGS for Comptrollership, CG-6, and approval of the Command on the following circumstances:

- Change in the details of an activity or project without changing its nature and within the same operating unit; and
- Change in the object of expenditure (traveling expenses or office supplies) within an allotment class (MOOE).

Modification of allotments for MOOE and CO shall not entail any increase in the total amount appropriated for an activity or project.



OO. **Transfer of Funds:** Units requesting the transfer of funds must submit a request letter for the said transfer, together with the **Request for the Release of Funds (RRF) (Annex D)**.

All receiving units will serve as the Implementing Unit/s (IU) of the transferred/supplemental funds. **The transferred funds shall be recorded in the IU's IBPPS**, specifically in the PPMP and APP. The APB shall remain in the source unit's IBPPS for monitoring. Thus, all transferred funds to IU's must be supported by the Sub Allotment Advice (SAA) issued by the DCCGS for Comptrollership, CG-6.

To ensure accountability in fund transfers between/from PCG units, DCCGS for Comptrollership, CG-6 shall require submission from all receiving units or IUs a detailed **List of Sub-Allotment and Status Report (Annex E)**, outlining the status of the transferred funds, any obligations thereto, and the remaining balances. This measure aims to facilitate monitoring of underutilized funds that may be subject to deduction during the conduct of the Program Performance and Budget Execution Review (PPBER). The consolidated report shall be submitted **every 2nd day of the following month**, together with the copies of **Sub-Allotment Advice (SAA)** from the O/CG-6.

All transferred funds shall not be used or realigned to other PAPs without coordinating with O/CG-6 and the approval of the Command.

PP. **Budget Utilization Rate (BUR):** To ensure optimum utilization of allotted funds, all PCG Units shall achieve the quarterly Budget Utilization Rate (BUR) target based on the submitted Implementation Plan (IMPLAN) and as reflected on the Unit's IBPPS. Any variance between target and actual utilization shall be deducted from the unit's unobligated allotments.

Subsequently, all source/parent units shall oversee the utilization of transferred funds to implementing units. **The utilization of transferred funds shall reflect the BUR of the source/parent unit.**

QQ. **Requests for Additional Funds:** All requests for additional funds must be properly justified and supported with the following documentary requirements:

- a) For Goods (Supplies/Materials/Equipment/Uniform/Meals)
 - Market Scooping
 - Canvass/ Quotation from Bonafide Three (3) Supplier
 - Detailed Unit Price Analysis (DUPA)
 - Inventory of Existing Supplies/Equipment
 - Detailed Justification
- b) Lease of Venue with Meals and Accommodation
 - Breakdown of Expenses



- Market Scooping
- Quotation from Three Lessor
- Detailed Unit Price Analysis
- Detailed Justification
- c) Lease of Office Space
 - Market Scooping
 - Cost-Benefit Analysis
 - Quotation from Three Lessor
 - Detailed Justification
- d) Mandatories
 - Latest Billing Statement
 - Detailed Justification
- e) Repair and Maintenance of Buildings and Other Structures
 - Scope of Works
 - Cost Estimates
 - Market Scooping
 - Engineering Plan
 - Detailed Justification
- f) Repair and Maintenance of Vehicles
 - Market Scooping
 - Canvass from Three Suppliers
 - Detailed Unit Price Analysis
 - Property Acknowledgement Report
 - Detailed Justification

In addition, the current **Budget Utilization Rate (BUR)** and **IMPLAN** of additional PAP must be incorporated in the request for additional funds. The deadline for the submission of a request for additional funds for the last quarter is **30 September 2026**.

RR. Notice of Transfer of Allocation (NTA): The issuance of the NTA to PCG Districts shall be based on the approved list of due and demandable accounts and disbursement vouchers submitted. This ensures that the transfer of funds is made in accordance with the established financial obligations and priorities. The list of accounts shall be thoroughly reviewed to confirm the validity of outstanding obligations, and the NTA will only be issued once all conditions for cash transfers are met.

The **comprehensive-release NTA** of PCG Districts shall only be intended for a **three (3) month requirement for mandatory and utility expenses**. It shall be based on the actual disbursement records submitted by all PCG Districts. Mandatory expenditures include, but are not limited to, utility expenses such as rentals, electricity, water, internet and cable expenses, pre-payment of travel expenses, replenishments and establishments of petty

cash funds. These expenses shall be prioritized and settled first so as not to adversely affect the operations of PCG Districts and to avoid the arrears, surcharges and penalties.

All PCG Districts/Units shall exert necessary efforts to ensure the optimum and timely utilization of NCA/NTA to avoid the reversion of unused cash to the Bureau of Treasury. Nevertheless, a certification of unused NCA from Landbank of the Philippines must be submitted to O/CG-6 after the end of every quarter.

In cases where NCAs remain unexpended at the end of the validity period, **a written explanation and justification from the Budget Officer and Unit Commander must be submitted to O/CG-6 in support of accountability, transparency, and effective financial management.**

SS. Common Fund System: To optimize the use of the available Notice of Cash Allocations (NCA) under the Regular MDS Sub-Account, the NCA released shall be used to cover payment of both current and prior years' accounts payable (AP) due to all creditors (external and internal). The payment of mandatories, i.e., PS, MOOE, and CO requirements, shall take precedence over APs in the utilization of the NCAs received. **Only when the mandatory requirements are satisfied can the payment of APs be charged against the available NCAs.**

TT. Trust Funds: All PCG units shall ensure strict monitoring, full utilization, and prompt liquidation of all released trust receipts in compliance with relevant guidelines. Hence, all disbursements shall be made in accordance with applicable laws, rules, regulations, and to the purpose for which the trust fund was created.

All concerned units receiving fund transfers from other agencies, recorded as Trust Receipts, shall ensure the maximum utilization of the released Notice of Cash Allocation (NCA) and monitor the proper implementation of related programs, projects, and activities in accordance with existing budgeting, accounting, and auditing rules and regulations.

For liquidation purposes, all units shall submit the following supporting documents:

- a. Status of projects/programs/activities accomplishment reports or After-Activity Report; and
- b. Two (2) copies of the Disbursement Vouchers duly signed by the Unit Commander in Box A, indicating the refund of any unutilized portion of the fund.



UU. Collateral Pay and Allowances: To exercise prudence and judiciousness in granting collateral pay and allowances, it shall be granted only to PCG personnel who are performing actual collateral duties. Unit Commander should be prudent in certifying the entitlement of collateral claims and shall be responsible and accountable for any misuse of PCG funds. All requests for issuance of collateral status and pay shall be supported by the Payroll or Computation and the Summary of Computation of Collateral Pay Per Rank (**Annex F**).

VV. Optional Retirement and/or Voluntary Separation: Optional Retirement and/or Voluntary Separation is not included in the comprehensively released budget for retirement gratuity and terminal leave benefits. Any claim for retirement benefits by personnel who opted to retire optionally, separated posthumously due to unfortunate events, or separated from the service for other reasons shall require the submission of a **Special Budget Request (SBR)**, with complete supporting documents, to the Department of Budget and Management (DBM). The said request will be evaluated prior to the approval and release of a **Special Allotment Release Order (SARO)** with the corresponding **Notice of Cash Allocation (NCA)**.

Consistent with the Implementing Rules and Regulations of Republic Act No. 10154, the submission and processing of documentary requirements by the agency, the release of funds for the purpose, and the actual payment of retirement gratuity (RG) and terminal leave (TL) benefits shall be completed within the prescribed periods as follows:

- a) Not later than 120 days prior to the effective date of retirement, the retiring PCG personnel shall submit an application form with a written expression of intent to retire.
- b) Thereafter, the retiring PCG personnel shall submit the complete documentary requirements not later than 100 days prior to the effective date of retirement.

WW. Monetization of Leave Credits (MLC): Paragraph 4 of DBM Circular Letter No. 2024-1 "Processing of Requests for the Monetization of Leave Credits (MLC)", the payment of MLC may only be allowed under extraordinary circumstances, e.g, for medical emergencies and calamity-related concerns, and shall be charged against the departments/agencies available Personnel Services (PS) allotments from their built-in appropriations, after satisfying the requirements for the RG/TL of retirees.

In connection, MLC may only be charged against PCG's PS savings. If deemed insufficient, only then shall the request be forwarded to the DBM for funding, subject to the prioritization of the use of the Pension and Gratuity Fund. As such, the granting of the MLC is subject to the determination of PS-generated **year-end savings** and DBM request if the latter is deemed insufficient.



XX. **CO Projects:** All CO projects must be coordinated with the relevant **Program Directors** to ensure proper planning, alignment, execution, and compliance with established guidelines.

CG-4 – Equipment and land mobility

CG-10 – Water and air assets

CG-11 - ICT equipment, weapons and ammunition

CG-15 – All proposals as well as the infrastructure projects for encoding of the Three-Year Rolling Infrastructure Program (TRIP) through the Public Investment Program Online (PIPOL) System of National Economic and Development Authority (NEDA), copy furnished O/CG-6 for programming purposes.

YY. **Special Budget Requests:** All budgetary requests of PCG units shall be coursed through O/CG-6 for appropriate budget programming and to ensure completeness of documentary requirements prior to endorsement and approval of CPCG and submission to oversight agencies. Likewise, all memorandum of agreement (MOA) and documents of the same category that entail financial obligations shall be coordinated with and subsequently forwarded to O/CG-6.

ZZ. In the event of any inconsistency between the provisions of these guidelines and those of the General Appropriations Act of FY 2026, upon its enactment, the latter shall govern.

3. In view of the above, all units are hereby directed to strictly adhere and ensure full compliance with the Resource Management Guidelines prescribed in this memorandum. Failure to comply with the Command's guidelines may adversely affect the PCG's overall financial performance and result in administrative consequences.

4. For guidance and strict compliance.

ADMIRAL RONNIE GILL-GAVAN PCG

