



بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ



Republic of the Philippines  
BANGSAMORO AUTONOMOUS REGION IN MUSLIM MINDANAO  
**MINISTRY OF FINANCE, AND BUDGET AND MANAGEMENT**  
BANGSAMORO GOVERNMENT CENTER, COTABATO CITY

## **IMPLEMENTING RULES AND REGULATIONS**

No. 1, Series of 2023

**SUBJECT** : THE IMPLEMENTING RULES AND REGULATION OF BANGSAMORO AUTONOMY ACT NO. 36, "BANGSAMORO REVOLVING FUND ACT OF 2023"

**DATE** : **12 Dhul-Hijjah 1444 AH | 30 June 2023**

Pursuant to Section 8 of Bangsamoro Autonomy Act (BAA) No. 36 passed on May 17, 2023, the following rules and regulations are hereby promulgated and adopted:

### **Rule I POLICIES AND OBJECTIVES**

**Section 1. Title.** – The rules contained herein shall be known and cited as the "Implementing Rules and Regulation (IRR) of BAA No. 36<sup>1</sup>".

**Section 2. Declaration of Policy.** – The provisions of this IRR are in line with the policy of the Bangsamoro Government to provide, maintain, and ensure the delivery of basic and responsive health programs, quality education, appropriate services, and livelihood opportunities, among others, to the Bangsamoro people and other inhabitants of the Bangsamoro. It is also the policy of the Bangsamoro Government to afford workers in the Bangsamoro full protection and promotion of their general welfare to ensure the efficient and effective delivery of services and programs to the Bangsamoro constituents. Thus, it shall be the policy of the Bangsamoro Government to protect the interests of its workers and personnel, including those deployed in the region under programs funded by the National Government, by providing support and developing a mechanism that will ensure timely payment of authorized salaries, compensation, and emoluments for services rendered by them.

### **Rule II PURPOSE**

**Section 3. Establishment of the Bangsamoro Revolving Fund for the Nationally-Funded Programs.** – There is hereby established the Bangsamoro Revolving Fund for Nationally-Funded Programs (NFP) for the payment of salaries, compensation, and other emoluments of nationally-funded workers or personnel directly supervised by the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM) ministries, offices, or agencies implementing NFPs. The Fund shall be utilized to ensure the timely payment of such salaries, compensation, and emoluments in case of delay in

<sup>1</sup> Bangsamoro Autonomy Act No. 36 dated May 17, 2023. (An Act Establishing a Revolving Fund for the Payment of Salaries, Compensation, and Other Emoluments of Workers and Personnel of Nationally Funded Programs Deployed in the Bangsamoro Autonomous Region in Muslim Mindanao under the Supervision of its Ministries and Offices, Providing Funds therefor, and for Other Purposes.)



the transfer or downloading of funds by concerned National Government Agencies (NGAs).

#### **Section 4. Definition of Terms/Coverage**

- a. Revolving Funds – For purposes of this IRR, the revolving fund is established by the Parliament for the payment of salaries, compensation, and other emoluments, including but not limited to, allowed salary premiums based on approved contracts funded by concerned NGAs appropriation, and statutory benefits as applicable, in accordance to existing civil service, budgeting, accounting, and auditing rules and regulations, of nationally-funded workers or personnel directly supervised by the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM) ministries, offices, or agencies implementing NFPs. The revolving fund shall be separately recorded and deposited in an authorized government depository bank, and considered self-perpetuating and self-liquidating.
- b. Nationally-Funded Programs (NFP) – Programs, Activities, and Projects of the NGAs appropriated in the General Appropriations Act through the NGAs built-in appropriations, and are implemented in the BARMM by the BARMM ministries, offices, or agencies.
- c. Nationally-Funded Workers or Personnel (NFWP) Directly Supervised by the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM) Ministries, Agencies, or Offices Implementing Nationally-Funded Programs – The human workforce requirement, regardless of status of employment, of Nationally-Funded Programs in the BARMM NFP-Implementing ministries, offices, or agencies.

### **Rule III THE REVOLVING FUND**

**Section 5. Appropriation of funds.** – The amount of One Billion Pesos (Php1,000,000,000.00) revolving fund is hereby appropriated for the implementation of this Act chargeable against the Contingent Fund.

**Section 6. Administration and Management of the Fund.** – The Fund shall be administered and managed by the Ministry of Finance, and Budget and Management (MFBM) in accordance with its cash management and disbursement system and procedures subject to all existing government accounting and auditing rules and regulations. The Fund shall be available for release by MFBM only for the purpose specified in the BAA No. 36 upon request by the concerned BARMM Ministries, Offices, and Agencies (M/O/A).

The MFBM shall ensure the availability to the M/O/A of the amount requested for the Fund immediately after the effectivity of this Act. It shall provide a mechanism by which the amounts utilized by the M/O/A shall be reimbursed immediately to the Fund once the concerned national government agency has transferred or downloaded the corresponding national funds therefor.

**Section 7. Obligation and Disbursement Authority.** – MFBM through the Bangsamoro Budget Office (MFBM-BBO) shall issue a one-time Special Allotment Release Order (SARO) and Notice of Cash Allocation (NCA) to fund the creation of the Revolving Fund.

**Section 8. Creation of the Revolving Fund through a Current Account.** – Upon receipt of the SARO and NCA, the MFBM through the Bangsamoro Treasury Office (MFBM-BTO) shall create, administer, and manage a Current Account in the Authorized Government Servicing Bank (AGSB).

The Bank Account shall be made available only for the requests of timely payment by NFP-Implementing M/O/As of salaries, compensation, and emoluments in case of delay in the transfer or downloading of funds by concerned national government agencies.

Afterwards, the Fund shall be self-perpetuating, self-liquidating, and available for the purposes specified until dissolved.

#### **Rule IV TRANSFER AND REIMBURSEMENT OF FUNDS**

**Section 9. Requests of funds by the NFP-Implementing M/O/As.** – The NFP-Implementing M/O/As shall determine their quarterly financial requirement by submitting a Special Budget Requests (SBR), Budget Execution Documents (BEDs) No. 1 and 3, and the List of NFWP Directly Supervised by NFP-Implementing M/O/As (*see Annex A*) to the MFBM-BBO.

Upon receipt and positive assessment of required documents, MFBM-BBO shall endorse the request to the MFBM-BTO in favor of the NFP-Implementing M/O/As.

NFP-Implementing M/O/As shall submit the complete set of request documents 15 days prior to the start of the month/quarter requested.

NFP-Implementing M/O/As shall annually submit a list of completed/on-going list of Nationally-Funded Programs to the MFBM-BBO.

**Section 10. List of NFWP Directly Supervised by NFP-Implementing M/O/As.** – The list shall be limited to the positions approved by the concerned NGAs.

**Section 11. Transfer of Cash to the NFP-Implementing M/O/As.** – The MFBM-BTO, upon receipt of the MFBM-BBO endorsement, shall check the availability of funds from the Current Account of the Revolving Fund and program the monthly transfer of cash to the NFP-Implementing M/O/As.

Subject to the availability of funds and monthly cash programmed, MFBM-BTO shall issue a Notice of Transfer Allocation copy furnished the NFP-Implementing M/O/A along with an Advice to the AGBS to download the cash requirement to the NFP-Implementing M/O/As.

MFBM-BTO shall issue Notice of Fund Transfer (NFT) to the NFP-Implementing M/O/A upon receipt of the validated Advice to Debit Account from the AGBS to notify the NFP-Implementing M/O/A of the completed fund transfer. The MFBM-BTO shall transfer the funds on a monthly basis in accordance with the approved Monthly Cash Program endorsed by the MFBM-BBO.

MFBM-BTO shall issue an Authority to Open Bank Account to the NFP-Implementing M/O/As, for the separate and exclusive use, for the transfers from the Revolving Fund recorded as trust liability.

MFBM-BTO reserves the right to rationalize the downloading of funds in case of deficiency of the Revolving Fund.



**Section 12. Replenishment of the Fund.** – Within five (5) days upon receipt of funds for the NFPs, NFP-Implementing M/O/As shall furnish the MFBM-BBO and MFBM-BTO of the relevant document indicating the actual receipt of cash for the implementation of NFPs.

In addition, within five (5) days upon receipt of funds, NFP-Implementing M/O/As shall issue a check, payable to MFBM-BTO to replenish the total funds (cash received due to the delay of downloading of funds for the NFPs) transferred from the Revolving Fund during the quarter.

In case of discrepancies between the amount downloaded by the concerned NGA and the amount disbursed from the Revolving Fund, the NFP-Implementing M/O/A shall ensure the reconciliation with the concerned NGA.

In case the amount released from the Revolving Fund exceeds the amount reimbursed by the concerned NGA, the NFP-Implementing M/O/A shall report the excess of disbursement through the mandatory reports as indicated in Rule V of this IRR and maintain that amount in their bank account. Upon the subsequent request of funds from the Revolving Fund, the balance of the Revolving Fund in the Implementing M/O/A Accounts shall be deducted to the request to reflect the actual cash requirement.

MFBM will continue to work on the improvement of the fund management of the Revolving Fund and the replenishment thereof.

**Section 13. Prohibition from Use of Funds other than Prescribed Purpose.** – In no cases are the funds downloaded to the NFP-Implementing M/O/A, allowed to be utilized/dispensed other than for the payment of salaries, compensation, and emoluments of the NFWP Directly Supervised by NFP-Implementing M/O/As.

## **Rule V REPORTING**

**Section 14. Report on the Utilization of the Fund.** – An official quarterly report on the releases, obligations, and disbursements shall be submitted by the MFBM to the Parliament through the Speaker either in printed form or by way of electronic documents.

**Section 15. Submission of Financial Accountability Reports by NFP-Implementing M/O/As.** – MFBM shall monitor the transfer of funds to the NFP-Implementing M/O/As, and track its utilization through the submission of separate Financial Accountability Reports No. 4 and No. 6 to the MFBM-BBO in accordance to existing Bangsamoro Budget Circulars.

MFBM-BBO shall consolidate these reports and submit to the Parliament through the Speaker copy furnished MFBM-BTO thirty (30) days after the prescribed deadline of aforementioned reports.

**Section 16. Submission of Liquidation Report by NFP-Implementing M/O/As.** – MFBM shall monitor the disbursements from the funds transferred to the NFP-Implementing M/O/As through the submission of List of NFWPs paid, Report of Checks Issued and/or Report of Cash Disbursements to the MFBM-BTO.

**Rule VI**  
**ROLES AND RESPONSIBILITIES**

**Section 17. Roles and Responsibilities.** – The concerned M/O/As shall ensure the fulfillment of their roles and responsibilities required for the downloading of funds from the National Government to the Bangsamoro Government. Nothing in this Act shall be construed as the Bangsamoro Government assuming responsibilities of the National Government with respect to the salaries, compensation, and emoluments of the nationally-funded programs.

**Section 18. Responsibilities of the NFP-Implementing M/O/As.** – The NFP-Implementing M/O/As shall:

- a. Craft, execute, and oversee the implementation of a Memorandum of Agreement (MOA) with the concerned NGA, if applicable, indicating the timing, requirements and mode of transfer of funds;
- b. Perform all means to ensure the timely transfer of funds for NFPs by the concerned NGAs to the NFP-Implementing M/O/A and resolve issues and concerns that may arise in the performance thereof;
- c. Oversee, monitor, and ensure proper fund management for the timely payment of salaries, compensation, and emoluments of the NFWPs and the timely delivery of required services from their existing contractual obligation, subject to usual accounting, auditing, and civil service laws, rules and regulations; and,
- d. Adopt mechanisms and processes to ensure compliance to the implementation guidelines, fund request requirements and reporting requirements as indicated in this IRR.

**Rule VII**  
**DISSOLUTION OR REVERSION OF THE FUND**

**Section 19. Dissolution or Reversion of the Fund.** – The Fund shall not be automatically dissolved upon the discontinuance of the implementation of nationally-funded programs in the BARMM, the appropriation thereof in the General Appropriations Act of the Bangsamoro (GAAB), or the cessation of hiring or renewal of deployed workers or personnel.

The Fund shall only be dissolved and the amount reverted to the Bangsamoro Treasury Office when the ministries, offices, and agencies authorized to draw the funds therefrom by the MFBM have stopped submitting a request therefor for at least two fiscal years. Such reversion shall be reported by the MFBM to the Chief Minister in the Parliament through the Committee on Finance, Budget, and Management.

- a. The Fund shall only be dissolved upon non-submission for a period of two fiscal years of valid request for timely payment of salaries, compensation, and emoluments of NFPs in case of delay in the transfer or downloading of funds by concerned NGAs.
- b. Upon dissolution of the Revolving Fund, the MFBM-BTO shall close the Revolving Fund by issuing a Letter of Instruction/Advice to the AGSB to close and transfer all balances of the Revolving Fund to the Bangsamoro Treasury General Fund Account.
- c. Within five (5) business days from the closure of the Revolving Fund, MFBM-BTO shall submit a report of income and expenses to the Chief Minister in the Parliament



through the Committee on Finance, Budget, and Management copy furnished the MFBM-BBO.

**Rule VIII  
FINAL PROVISIONS**

**Section 20. Saving Clause.** – Cases not covered in this IRR shall be referred to the MFBM for resolution.

**Section 21. Separability Clause.** – In the event any provision of this Act is declared unconstitutional, the validity of the other provisions shall not be affected and shall continue to be in full force and effect.

**Section 22. Repealing Clause.** – All provisions of existing acts, laws, orders, rules, and regulations, or parts thereof, which are inconsistent with the provisions of this Act are hereby repealed, amended, or modified accordingly.

**Section 23. Effectivity.** – This IRR shall take effect fifteen (15) days after its approval.

Done, in the City of Cotabato, this 5<sup>th</sup> day of July 2023.

**UBAIDA C. PACASEM**  
Minister



MINISTRY OF FINANCE, AND  
BUDGET AND MANAGEMENT - BARMM

**RELEASED**

BY: [Signature] DATE: 7/5/2023 TIME 2:46 PM

