

PART 3. GENERAL PROVISIONS

Section 1. Availability of Appropriations.

Appropriations for Capital Outlay (CO) under this Ordinance shall be available for release and obligation for the purpose specified for a period extending to one fiscal year after the end of the year in which such items were appropriated

Section 2. Limitation on Cash Advance.

Notwithstanding any provision of law to the contrary, cash advances shall not be granted until such time that the earlier cash advances availed by the officials or employees concerned shall have been liquidated pursuant to pertinent accounting and auditing rules and regulations.

Section 3. Meaning of Savings.

Savings refer to portion or balances of any released appropriations in this Ordinance which have not been obligated as a result of the following:

- a. Final discontinuance or abandonment of an on-going program, activity or project by the head of the agency concerned due to causes not attributable to the fault or negligence of the agency which would not render it possible for the agency implement the said P/A/P during the validity of the appropriation.
- b. Non-commencement of the P/A/P for which the appropriation is released. For this purpose, non-commencement shall refer to the inability of the agency or its duly authorized procurement agent to obligate the released allotment and implement the P/A/P due to natural or man-made calamities or other causes not attributable to the fault or to the negligence of the agency concerned during the validity of the appropriations.
- c. Decreased cost resulting from improved efficiency during the implementation or until the completion by agencies of their P/A/Ps: Provided, that the agencies will still be able to deliver the targets and services as approved in this Ordinance.
- d. Difference between the approved budget for the contract and the contract award price.
- e. Unused personal services costs pertaining to a) unfilled, vacant or abolished positions; b) non-entitlement to allowance and benefits; c). Leaves of absence without pay; and d). Unutilized pensions and retirement benefits arising from death of pensioners, decrease in the number of retirees, or other related causes.

Section 4. Priority in the Use of Savings.

The use of savings, priority shall be given to the augmentation of the amounts set aside for the payment of compensation, year-end bonus and cash gift, retirement gratuity, terminal leave benefits, and other personnel benefits authorized by law and in this Ordinance, as well as the implementation of priority programs, activities or projects covered in this Ordinance