



REPUBLIC OF THE PHILIPPINES

Department of Budget and Management
Malacañang, Manila

LEGAL OPINION NO. L-B-2001-09

SUBJECT : Local Government Budgeting – 20% Development Fund

ISSUE : Whether or not barangays are authorized to provide funds for the repair of public elementary schools located within their respective barangays, chargeable against their respective General Fund and/or the 20% Development Fund.

FACTS : Mr. Alex T. Cuajotor, Municipal Budget Officer of Tigbao, Zamboanga del Sur, in his letter dated 05 March 2001 requested opinion on the above issue.

OPINION : Barangays may provide funds in their budgets for the repair of public elementary schools located within their respective barangays, chargeable against the General Fund and/or the 20% Development Fund.

Memorandum Circular No. 99-66 dated April 23, 1999 of the Department of the Interior and Local Government (DILG) entitled "Reiterating, or Further Amending, the Provisions of Memorandum Circular No. 95-216 dated December 14, 1995 Entitled, Policies and Guidelines on the Utilization of the Twenty Percent (20%) Development Fund and Related Matters, As Amended" provides, among others, that and we quote:

"Program, Project and Activity Coverage

Expenditures from out of the 20% Development Fund shall be limited to the following sectoral programs, projects or activities:

- x x x* *x x x*
3. *Infrastructure Development*
- (a) Construction, maintenance or repair of:*
- x x x*
- (v) public buildings, such as, but not limited to the following:*
- Provincial capitol, city hall, municipal hall and barangay hall;*
 - Public schools and reading centers;*
 - and*

- *Public markets and slaughterhouses, including the purchase of brand new heavy equipment necessary in the implementation of infrastructure undertakings;*

x x x .

x x x."

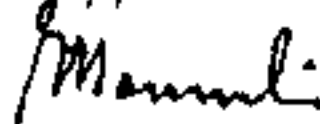
(underscoring supplied)

REFERENCE: Memorandum of the Secretary dated 13 September 2001 to DBM RO-IX

Recommended:


JANET B. ABUEL
Director, LLS

Approved:


EMILIA T. BONCODIN
Secretary