

D. BUREAU OF LOCAL GOVERNMENT FINANCE

Appropriations/Obligations

(In Thousand Pesos)

<u>Description</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
New General Appropriations	<u>200,861</u>	<u>214,525</u>	<u>263,106</u>
General Fund	200,861	214,525	263,106
Automatic Appropriations	<u>11,891</u>	<u>10,647</u>	<u>12,720</u>
Retirement and Life Insurance Premiums	11,891	10,647	12,720
Continuing Appropriations	<u>5,677</u>	<u>2,482</u>	
Unobligated Releases for Capital Outlays			
R.A. No. 10633	5,000		
Unobligated Releases for MOOE			
R.A. No. 10633	677		
R.A. No. 10651		2,482	
Budgetary Adjustment(s)	<u>14,759</u>		
Transfer(s) from:			
Miscellaneous Personnel Benefits Fund	9,008		
Pension and Gratuity Fund	<u>5,751</u>		
Total Available Appropriations	233,188	227,654	275,826
Unused Appropriations	(<u>15,702</u>)	(<u>2,482</u>)	
Unobligated Allotment	(<u>15,702</u>)	(<u>2,482</u>)	
TOTAL OBLIGATIONS	<u>217,486</u>	<u>225,172</u>	<u>275,826</u>
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EXPENDITURE PROGRAM
(in pesos)

No. / Code	GASS / STO / OPERATIONS / PROJECTS	2015 Actual	2016 Current	2017 Proposed
000001000000000	General Administration and Support	44,430,000	69,224,000	67,367,000
	PS	21,788,000	17,560,000	34,818,000
	MOOE	17,653,000	33,285,000	30,549,000
	CO	4,989,000	18,379,000	2,000,000
000003000000000	Operations	173,056,000	155,948,000	208,459,000
	PS	117,091,000	111,836,000	128,965,000
	MOOE	40,965,000	44,112,000	57,687,000
	CO	15,000,000		21,807,000
TOTAL AGENCY BUDGET		217,486,000	225,172,000	275,826,000
	PS	138,879,000	129,396,000	163,783,000
	MOOE	58,618,000	77,397,000	88,236,000
	CO	19,989,000	18,379,000	23,807,000

STAFFING SUMMARY

	2015	2016	2017
TOTAL STAFFING			
Total Number of Authorized Positions	440	440	440
Total Number of Filled Positions	270	270	270

Proposed New Appropriations Language

For general administration and support, and operations, as indicated hereunder.....P 263,106,000
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OPERATIONS BY MFO

PROPOSED 2017

	PS	MOOE	CO	TOTAL
MFO 1: REGULATION OF LGU FINANCIAL MANAGEMENT	118,048,000	57,687,000	21,807,000	197,542,000

EXPENDITURE PROGRAM BY CENTRAL / REGIONAL ALLOCATION, 2017
(in pesos)

REGION	PS	MOOE	CO	TOTAL
CENTRAL OFFICE	44,392,000	45,003,000	2,000,000	91,395,000
Regional Allocation (net of Central Office):	106,671,000	43,233,000	21,807,000	171,711,000
Region I - Ilocos	13,136,000	3,332,000		16,468,000
Cordillera Administrative Region (CAR)	4,875,000	3,425,000		8,300,000
Region II - Cagayan Valley	6,538,000	2,301,000	1,100,000	9,939,000
Region III - Central Luzon	11,679,000	3,041,000	15,007,000	29,727,000
Region IVA - CALABARZON	7,039,000	3,372,000		10,411,000
Region IVB - MIMAROPA	2,719,000	2,176,000		4,895,000
Region V - Bicol	6,670,000	3,148,000	5,700,000	15,518,000
Region VI - Western Visayas	5,949,000	2,613,000		8,562,000

Region VII - Central Visayas	7,141,000	3,448,000		10,589,000
Region VIII - Eastern Visayas	10,532,000	3,034,000		13,566,000
Region IX - Zamboanga Peninsula	4,962,000	2,778,000		7,740,000
Region X - Northern Mindanao	6,491,000	2,192,000		8,683,000
Region XI - Davao	6,164,000	2,847,000		9,011,000
Region XII - SOCCSKSARGEN	6,194,000	2,908,000		9,102,000
Region XIII - CARAGA	6,582,000	2,618,000		9,200,000
TOTAL AGENCY BUDGET	151,063,000	88,236,000	23,807,000	263,106,000

SPECIAL PROVISION(S)

1. Assessment Loan Revolving Fund. The Assessment Loan Revolving Fund, constituted from the unallocated surplus of IRAs, shall be used for interest-free lending purposes to provinces, cities and municipalities, tax-mapping projects, periodic revisions of assessments, and other real property assessment programs in accordance with Section 94 of P.D. No. 464, as amended by P.D. No. 1002.

Disbursements or expenditures by the Bureau of Local Government Finance (BLGF) in violation of the above requirements shall be void and shall subject the erring officials and employees to disciplinary actions in accordance with Section 43, Chapter 5 and Section 80, Chapter 7, Book VI of E.O. No. 292, and to appropriate criminal action under existing penal laws.

The BLGF shall submit to the DBM, the Speaker of the House of Representatives and the President of the Senate of the Philippines, either in printed form or by way of electronic document, quarterly reports on income and expenditure. The Executive Director of BLGF and the Bureau's web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are likewise posted on the BLGF website.

2. Appropriations for Programs and Specific Activities. The amounts appropriated herein for the programs of the agency shall be used specifically for the following activities in the indicated amounts and conditions:

New Appropriations, by Programs/Activities/Projects, by Operating Units

	<u>Current Operating Expenditures</u>			
	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
PROGRAMS				
0000010000000000 General Administration and Support	33,015,000	30,549,000	2,000,000	65,564,000
1030010001000000 General management and supervision	P 20,171,000	P 30,549,000	P 2,000,000	P 52,720,000
National Capital Region (NCR)	20,171,000	30,549,000	2,000,000	52,720,000
Central Office	20,171,000	30,549,000	2,000,000	52,720,000
1030010002000000 Administration of Personnel Benefits	12,844,000			12,844,000
National Capital Region (NCR)	398,000			398,000
Central Office	398,000			398,000
Region I - Ilocos	4,194,000			4,194,000
Regional Office - I	4,194,000			4,194,000
Region III - Central Luzon	4,854,000			4,854,000
Regional Office - III	4,854,000			4,854,000

	Region VIII - Eastern Visayas	<u>3,398,000</u>			<u>3,398,000</u>
	Regional Office - VIII	<u>3,398,000</u>			<u>3,398,000</u>
	Sub-total, General Administration and Support	<u>33,015,000</u>	<u>30,549,000</u>	<u>2,000,000</u>	<u>65,564,000</u>
000003000000000	Operations	<u>118,048,000</u>	<u>57,687,000</u>	<u>21,807,000</u>	<u>197,542,000</u>
000003010000000	MFO 1: REGULATION OF LGU FINANCIAL MANAGEMENT	<u>118,048,000</u>	<u>57,687,000</u>	<u>21,807,000</u>	<u>197,542,000</u>
000003010100000	Local Government Finance Policy Formulation, Monitoring and Evaluation	<u>118,048,000</u>	<u>57,687,000</u>	<u>21,807,000</u>	<u>197,542,000</u>
101003010100001	Development of LGU treasury and assessment operating policies, guidelines, systems and procedures including the promulgation of rulings/opinions for the proper implementation thereof	<u>13,358,000</u>	<u>1,541,000</u>		<u>14,899,000</u>
	National Capital Region (NCR)	<u>13,358,000</u>	<u>1,541,000</u>		<u>14,899,000</u>
	Central Office	<u>13,358,000</u>	<u>1,541,000</u>		<u>14,899,000</u>
101003010100002	Conduct of revenue and assessment performance evaluation	<u>7,299,000</u>	<u>11,427,000</u>		<u>18,726,000</u>
	National Capital Region (NCR)	<u>7,299,000</u>	<u>11,427,000</u>		<u>18,726,000</u>
	Central Office	<u>7,299,000</u>	<u>11,427,000</u>		<u>18,726,000</u>
101003010100003	Management, evaluation and monitoring of special projects on local government finance	<u>3,166,000</u>	<u>1,486,000</u>		<u>4,652,000</u>
	National Capital Region (NCR)	<u>3,166,000</u>	<u>1,486,000</u>		<u>4,652,000</u>
	Central Office	<u>3,166,000</u>	<u>1,486,000</u>		<u>4,652,000</u>
101003010100004	LGU training on policies, procedures and other competency requirements of local treasurers and assessors	<u>94,225,000</u>	<u>43,233,000</u>	<u>21,807,000</u>	<u>159,265,000</u>
	Region I - Ilocos	<u>8,942,000</u>	<u>3,332,000</u>		<u>12,274,000</u>
	Regional Office - I	<u>8,942,000</u>	<u>3,332,000</u>		<u>12,274,000</u>
	Cordillera Administrative Region (CAR)	<u>4,875,000</u>	<u>3,425,000</u>		<u>8,300,000</u>
	Regional Office - CAR	<u>4,875,000</u>	<u>3,425,000</u>		<u>8,300,000</u>
	Region II - Cagayan Valley	<u>6,538,000</u>	<u>2,301,000</u>	<u>1,100,000</u>	<u>9,939,000</u>
	Regional Office - II	<u>6,538,000</u>	<u>2,301,000</u>	<u>1,100,000</u>	<u>9,939,000</u>
	Region III - Central Luzon	<u>6,825,000</u>	<u>3,041,000</u>	<u>15,007,000</u>	<u>24,873,000</u>
	Regional Office - III	<u>6,825,000</u>	<u>3,041,000</u>	<u>15,007,000</u>	<u>24,873,000</u>
	Region IVA - CALABARZON	<u>7,039,000</u>	<u>3,372,000</u>		<u>10,411,000</u>
	Regional Office - IVA	<u>7,039,000</u>	<u>3,372,000</u>		<u>10,411,000</u>
	Region IVB - MIMAROPA	<u>2,719,000</u>	<u>2,176,000</u>		<u>4,895,000</u>
	Regional Office - IVB	<u>2,719,000</u>	<u>2,176,000</u>		<u>4,895,000</u>

Region V - Bicol	6,670,000	3,148,000	5,700,000	15,518,000
Regional Office - V	6,670,000	3,148,000	5,700,000	15,518,000
Region VI - Western Visayas	5,949,000	2,613,000		8,562,000
Regional Office - VI	5,949,000	2,613,000		8,562,000
Region VII - Central Visayas	7,141,000	3,448,000		10,589,000
Regional Office - VII	7,141,000	3,448,000		10,589,000
Region VIII - Eastern Visayas	7,134,000	3,034,000		10,168,000
Regional Office - VIII	7,134,000	3,034,000		10,168,000
Region IX - Zamboanga Peninsula	4,962,000	2,778,000		7,740,000
Regional Office - IX	4,962,000	2,778,000		7,740,000
Region X - Northern Mindanao	6,491,000	2,192,000		8,683,000
Regional Office - X	6,491,000	2,192,000		8,683,000
Region XI - Davao	6,164,000	2,847,000		9,011,000
Regional Office - XI	6,164,000	2,847,000		9,011,000
Region XII - SOCCSKSARGEN	6,194,000	2,908,000		9,102,000
Regional Office - XII	6,194,000	2,908,000		9,102,000
Region XIII - CARAGA	6,582,000	2,618,000		9,200,000
Regional Office - XIII	6,582,000	2,618,000		9,200,000
Sub-total, Operations	118,048,000	57,687,000	21,807,000	197,542,000
TOTAL NEW APPROPRIATIONS	P 151,063,000	P 88,236,000	P 23,807,000	P 263,106,000

Obligations, by Object of Expenditures

CYs 2015-2017
(In Thousand Pesos)

	<u>2015</u>	<u>2016</u>	<u>2017</u>
Current Operating Expenditures			
Personnel Services			
Civilian Personnel			
Permanent Positions			
Basic Salary	88,965	88,722	105,996
Total Permanent Positions	<u>88,965</u>	<u>88,722</u>	<u>105,996</u>

Other Compensation Common to All			
Personnel Economic Relief Allowance	5,986	6,576	6,480
Representation Allowance	1,910	1,314	1,122
Transportation Allowance	1,096	1,314	1,122
Clothing and Uniform Allowance	1,190	1,370	1,350
Productivity Incentive Allowance	438		
Honoraria	82		
Overtime Pay	22		
Mid-Year Bonus - Civilian			8,834
Year End Bonus	7,043	7,393	8,834
Cash Gift	1,244	1,370	1,350
Step Increment		429	663
Collective Negotiation Agreement	3,841		
Productivity Enhancement Incentive	6,268	1,370	1,350
Performance Based Bonus	2,731		
Total Other Compensation Common to All	<u>31,851</u>	<u>21,136</u>	<u>31,105</u>
Other Compensation for Specific Groups			
Longevity Pay		265	
Other Personnel Benefits	1,027		
Total Other Compensation for Specific Groups	<u>1,027</u>	<u>265</u>	
Other Benefits			
Retirement and Life Insurance Premiums	9,802	10,647	12,720
PAG-IBIG Contributions	301	329	324
PhilHealth Contributions	885	844	868
Employees Compensation Insurance Premiums	297	328	324
Retirement Gratuity		5,772	9,070
Terminal Leave	5,751	1,353	3,376
Total Other Benefits	<u>17,036</u>	<u>19,273</u>	<u>26,682</u>
TOTAL PERSONNEL SERVICES	<u>138,879</u>	<u>129,396</u>	<u>163,783</u>
Maintenance and Other Operating Expenses			
Travelling Expenses	10,722	12,013	15,526
Training and Scholarship Expenses	9,995	20,697	21,552
Supplies and Materials Expenses	6,369	6,596	6,057
Utility Expenses	3,041	5,859	3,453
Communication Expenses	4,622	4,173	7,715
Awards/Rewards and Prizes		165	
Confidential, Intelligence and Extraordinary Expenses			
Extraordinary and Miscellaneous Expenses	1,543	1,830	1,830
Professional Services	5,984	7,378	12,604
General Services	3,896	3,825	5,164
Repairs and Maintenance	1,490	2,109	1,778
Taxes, Insurance Premiums and Other Fees	421	1,154	624
Other Maintenance and Operating Expenses			
Advertising Expenses	960	2,057	989
Printing and Publication Expenses	65		66
Representation Expenses	363		
Transportation and Delivery Expenses	139		
Rent/Lease Expenses	8,639	9,541	9,753
Membership Dues and Contributions to Organizations	43		44
Subscription Expenses	63		953
Other Maintenance and Operating Expenses	263		128
TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES	<u>58,618</u>	<u>77,397</u>	<u>88,236</u>
TOTAL CURRENT OPERATING EXPENDITURES	<u>197,497</u>	<u>206,793</u>	<u>252,019</u>

Capital Outlays			
Property, Plant and Equipment Outlay			
Buildings and Other Structures	15,000		21,807
Machinery and Equipment Outlay	700	7,265	2,000
Furniture, Fixtures and Books Outlay	4,289		
Intangible Assets Outlay		11,114	
TOTAL CAPITAL OUTLAYS	<u>19,989</u>	<u>18,379</u>	<u>23,807</u>
GRAND TOTAL	<u>217,486</u>	<u>225,172</u>	<u>275,826</u>

STRATEGIC OBJECTIVES

SECTOR OUTCOME : Fiscal Strength

ORGANIZATIONAL
OUTCOME : Fiscal Sustainability of LGUs Strengthened

PERFORMANCE INFORMATION

KEY STRATEGIES :

1. Supervise local assessment and treasury operations through regular monitoring of fiscal and financial performance and compliance to rules, regulations and policies
2. Conduct capacity building seminars on strategies and best practices to improve LGU revenue generation and resource mobilization
3. Formulation of opinions, guidelines, rules and regulations on local taxation and tax administration, real property assessment, financial management, credit and other forms of indebtedness
4. Oversee the implementation of Special Projects

<u>ORGANIZATIONAL OUTCOMES (OOs) / PERFORMANCE INDICATORS (PIs)</u>	<u>Baseline</u>	<u>2017 Targets</u>
Fiscal Sustainability of LGUs Strengthened		
Ratio of LGU expenditures over total income	2012:0.75	Ratio is < or = 1
Percentage of total actual collections of LGUs from local taxes and other locally generated revenue sources vs targets	2012:108.54% 2013:84.33% (preliminary only since processing of SRE reports of LGUs for CY 2013 is still ongoing)	Collection efficiency is > or = 95%
Number of LGUs not exceeding 20% of their regular income for debt servicing [Sec. 324 (b) of RA 7160]	2013:99.3% (Actual)	No. of LGUs is > or = 95% of the total number of provinces, cities and municipalities nationwide

MFO / PIs2017 Targets

MFO 1: REGULATION OF LGU FINANCIAL MANAGEMENT

Number of directives, guidance notes, policies and procedures issued	459
Number of compliance reviews carried out	2,763
% of LGUs that breach one or more of the rules, directives, guidelines, policies or procedures specified by BLGF	20%
% of LGUs over the last three years with two or more breaches on one or more of the rules, directives, guidelines, policies or procedures specified by BLGF	15%
% of LGUs subject to three or more compliance reviews in the last two years	10%