

D. BUREAU OF LOCAL GOVERNMENT FINANCE

Appropriations/Obligations

(In Thousand Pesos)

<u>Description</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
New General Appropriations	214,525	263,106	305,125
General Fund	214,525	263,106	305,125
Automatic Appropriations	11,821	12,720	13,784
Retirement and Life Insurance Premiums	11,821	12,720	13,784
Continuing Appropriations	2,482	13,775	
Unobligated Releases for Capital Outlays R.A. No. 10717		1,859	
Unobligated Releases for MOOE R.A. No. 10651	2,482		
R.A. No. 10717		11,916	
Budgetary Adjustment(s)	21,506		
Transfer(s) from: Miscellaneous Personnel Benefits Fund	19,273		
Pension and Gratuity Fund	2,233		
Total Available Appropriations	250,334	289,601	318,909
Unused Appropriations	(23,825)	(13,775)	
Unreleased Appropriation	(6,541)		
Unobligated Allotment	(17,284)	(13,775)	
TOTAL OBLIGATIONS	226,509	275,826	318,909

EXPENDITURE PROGRAM
(in pesos)

<u>GAS / STO / OPERATIONS / PROJECTS</u>	<u>2016 Actual</u>	<u>2017 Current</u>	<u>2018 Proposed</u>
General Administration and Support	54,121,000	67,367,000	115,999,000
Regular	54,121,000	67,367,000	115,999,000
PS	18,119,000	34,818,000	83,221,000
MOOE	19,482,000	30,549,000	32,778,000
CO	16,520,000	2,000,000	
Support to Operations			27,995,000
Regular			27,995,000
PS			4,433,000
MOOE			23,562,000

Operations	172,388,000	208,459,000	174,915,000
Regular	172,388,000	208,459,000	174,915,000
PS	130,365,000	128,965,000	97,279,000
MOOE	42,023,000	57,687,000	43,686,000
CO		21,807,000	33,950,000
TOTAL AGENCY BUDGET	226,509,000	275,826,000	318,909,000
Regular	226,509,000	275,826,000	318,909,000
PS	148,484,000	163,783,000	184,933,000
MDDE	61,505,000	88,236,000	100,026,000
CO	16,520,000	23,807,000	33,950,000

STAFFING SUMMARY

	2016	2017	2018
TOTAL STAFFING			
Total Number of Authorized Positions	440	440	440
Total Number of Filled Positions	269	269	269

Proposed New Appropriations Language
 For general administration and support, support to operations and operations, as indicated hereunder.....P 305,125,000
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OPERATIONS BY PROGRAM	PROPOSED 2018			
	PS	MOOE	CO	TOTAL
LOCAL FINANCE ADMINISTRATION PROGRAM	88,854,000	43,686,000	33,950,000	166,490,000

EXPENDITURE PROGRAM BY CENTRAL / REGIONAL ALLOCATION, 2018
 (in pesos)

REGION	PS	MOOE	CO	TOTAL
CENTRAL OFFICE	69,895,000	59,106,000		129,001,000
Regional Allocation	101,254,000	40,920,000	33,950,000	176,124,000
Region I - Ilocos	9,680,000	3,149,000	1,100,000	13,929,000
Cordillera Administrative Region (CAR)	5,166,000	3,379,000		8,545,000
Region II - Cagayan Valley	7,048,000	2,189,000		9,237,000
Region III - Central Luzon	7,319,000	2,374,000		9,693,000
Region IVA - CALABARZON	7,657,000	3,134,000		10,791,000
Region IVB - MIMAROPA	2,934,000	2,189,000		5,123,000
Region V - Bicol	7,140,000	2,404,000	17,850,000	27,394,000
Region VI - Western Visayas	6,411,000	2,653,000		9,064,000
Region VII - Central Visayas	7,693,000	3,463,000		11,156,000
Region VIII - Eastern Visayas	7,626,000	3,057,000		10,683,000
Region IX - Zamboanga Peninsula	5,346,000	2,510,000		7,856,000
Region X - Northern Mindanao	6,914,000	2,064,000		8,978,000
Region XI - Davao	6,627,000	2,875,000		9,502,000
Region XII - SOCCSKSARGEN	6,632,000	2,810,000	15,000,000	24,442,000
Region XIII - CARAGA	7,061,000	2,670,000		9,731,000
TOTAL AGENCY BUDGET	171,149,000	100,026,000	33,950,000	305,125,000

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, the President of the Senate of the Philippines, the House Committee on Appropriations and the Senate Committee on Finance, 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					
1000000000000000	General Administration and Support	78,230,000	32,778,000		111,008,000
100000100001000	General management and supervision	55,736,000	32,778,000		88,514,000
	National Capital Region (NCR)	21,746,000	11,515,000		33,261,000
	Central Office	21,746,000	11,515,000		33,261,000
	Region I - Ilocos	3,278,000	1,957,000		5,235,000
	Regional Office - I	3,278,000	1,957,000		5,235,000
	Cordillera Administrative Region (CAR)	2,104,000	2,171,000		4,275,000
	Regional Office - CAR	2,104,000	2,171,000		4,275,000
	Region II - Cagayan Valley	1,684,000	1,039,000		2,723,000
	Regional Office - II	1,684,000	1,039,000		2,723,000
	Region III - Central Luzon	2,608,000	810,000		3,418,000
	Regional Office - III	2,608,000	810,000		3,418,000
	Region IVA - CALABARZON	3,801,000	1,706,000		5,507,000
	Regional Office - IVA	3,801,000	1,706,000		5,507,000

Region IVB - MIMAROPA	<u>289,000</u>	<u>750,000</u>	<u>1,039,000</u>
Regional Office - IVB	289,000	750,000	1,039,000
Region V - Bicol	<u>2,942,000</u>	<u>1,082,000</u>	<u>4,024,000</u>
Regional Office - V	2,942,000	1,082,000	4,024,000
Region VI - Western Visayas	<u>1,536,000</u>	<u>1,349,000</u>	<u>2,885,000</u>
Regional Office - VI	1,536,000	1,349,000	2,885,000
Region VII - Central Visayas	<u>2,170,000</u>	<u>2,194,000</u>	<u>4,364,000</u>
Regional Office - VII	2,170,000	2,194,000	4,364,000
Region VIII - Eastern Visayas	<u>2,568,000</u>	<u>1,555,000</u>	<u>4,123,000</u>
Regional Office - VIII	2,568,000	1,555,000	4,123,000
Region IX - Zamboanga Peninsula	<u>2,107,000</u>	<u>921,000</u>	<u>3,028,000</u>
Regional Office - IX	2,107,000	921,000	3,028,000
Region X - Northern Mindanao	<u>2,459,000</u>	<u>836,000</u>	<u>3,295,000</u>
Regional Office - X	2,459,000	836,000	3,295,000
Region XI - Davao	<u>2,443,000</u>	<u>1,835,000</u>	<u>4,278,000</u>
Regional Office - XI	2,443,000	1,835,000	4,278,000
Region XII - SOCCSKSARGEN	<u>1,922,000</u>	<u>1,529,000</u>	<u>3,451,000</u>
Regional Office - XII	1,922,000	1,529,000	3,451,000
Region XIII - CARAGA	<u>2,079,000</u>	<u>1,529,000</u>	<u>3,608,000</u>
Regional Office - XIII	2,079,000	1,529,000	3,608,000
100000100002000 Administration of Personnel Benefits	<u>22,494,000</u>		<u>22,494,000</u>
National Capital Region (NCR)	<u>22,494,000</u>		<u>22,494,000</u>
Central Office	22,494,000		22,494,000
Sub-total, General Administration and Support	<u>78,230,000</u>	<u>32,778,000</u>	<u>111,008,000</u>
2000000000000000 Support to Operations	<u>4,065,000</u>	<u>23,562,000</u>	<u>27,627,000</u>
200000100001000 Agency strategic planning, management information system and public information and legal services	<u>4,065,000</u>	<u>23,562,000</u>	<u>27,627,000</u>
National Capital Region (NCR)	<u>4,065,000</u>	<u>23,562,000</u>	<u>27,627,000</u>
Central Office	4,065,000	23,562,000	27,627,000
Sub-total, Support to Operations	<u>4,065,000</u>	<u>23,562,000</u>	<u>27,627,000</u>

3000000000000000	Operations	<u>88,854,000</u>	<u>43,686,000</u>	<u>33,950,000</u>	<u>166,490,000</u>
3100000000000000	00 : Fiscal sustainability of LGUs strengthened	<u>88,854,000</u>	<u>43,686,000</u>	<u>33,950,000</u>	<u>166,490,000</u>
3101000000000000	LOCAL FINANCE ADMINISTRATION PROGRAM	<u>88,854,000</u>	<u>43,686,000</u>	<u>33,950,000</u>	<u>166,490,000</u>
3101010000000000	LOCAL FINANCE POLICY REFORMS AND FISCAL PERFORMANCE MONITORING AND EVALUATION SUB-PROGRAM	<u>46,113,000</u>	<u>22,443,000</u>		<u>68,556,000</u>
310101100001000	Development of LGU treasury and assessment operating policies, guidelines, systems and procedures including the promulgation of rulings/ opinions for the proper implementation thereof	<u>7,820,000</u>	<u>2,415,000</u>		<u>10,235,000</u>
	National Capital Region (NCR)	<u>7,820,000</u>	<u>2,415,000</u>		<u>10,235,000</u>
	Central Office	<u>7,820,000</u>	<u>2,415,000</u>		<u>10,235,000</u>
310101100002000	Conduct of revenue and assessment performance evaluation and management, evaluation and monitoring of special projects on local government finance	<u>34,977,000</u>	<u>18,934,000</u>		<u>53,911,000</u>
	National Capital Region (NCR)	<u>7,313,000</u>	<u>7,026,000</u>		<u>14,339,000</u>
	Central Office	<u>7,313,000</u>	<u>7,026,000</u>		<u>14,339,000</u>
	Region I - Ilocos	<u>2,824,000</u>	<u>712,000</u>		<u>3,536,000</u>
	Regional Office - I	<u>2,824,000</u>	<u>712,000</u>		<u>3,536,000</u>
	Cordillera Administrative Region (CAR)	<u>907,000</u>	<u>726,000</u>		<u>1,633,000</u>
	Regional Office - CAR	<u>907,000</u>	<u>726,000</u>		<u>1,633,000</u>
	Region II - Cagayan Valley	<u>1,651,000</u>	<u>663,000</u>		<u>2,314,000</u>
	Regional Office - II	<u>1,651,000</u>	<u>663,000</u>		<u>2,314,000</u>
	Region III - Central Luzon	<u>1,740,000</u>	<u>1,011,000</u>		<u>2,751,000</u>
	Regional Office - III	<u>1,740,000</u>	<u>1,011,000</u>		<u>2,751,000</u>
	Region IVA - CALABARZON	<u>1,463,000</u>	<u>906,000</u>		<u>2,369,000</u>
	Regional Office - IVA	<u>1,463,000</u>	<u>906,000</u>		<u>2,369,000</u>
	Region IVB - MIMAROPA	<u>907,000</u>	<u>878,000</u>		<u>1,785,000</u>
	Regional Office - IVB	<u>907,000</u>	<u>878,000</u>		<u>1,785,000</u>
	Region V - Bicol	<u>2,368,000</u>	<u>792,000</u>		<u>3,160,000</u>
	Regional Office - V	<u>2,368,000</u>	<u>792,000</u>		<u>3,160,000</u>
	Region VI - Western Visayas	<u>1,904,000</u>	<u>792,000</u>		<u>2,696,000</u>
	Regional Office - VI	<u>1,904,000</u>	<u>792,000</u>		<u>2,696,000</u>
	Region VII - Central Visayas	<u>1,922,000</u>	<u>759,000</u>		<u>2,681,000</u>
	Regional Office - VII	<u>1,922,000</u>	<u>759,000</u>		<u>2,681,000</u>

Region VIII - Eastern Visayas	<u>2,584,000</u>	<u>937,000</u>		<u>3,521,000</u>
Regional Office - VIII	2,584,000	937,000		3,521,000
Region IX - Zamboanga Peninsula	<u>1,450,000</u>	<u>997,000</u>		<u>2,447,000</u>
Regional Office - IX	1,450,000	997,000		2,447,000
Region X - Northern Mindanao	<u>2,442,000</u>	<u>728,000</u>		<u>3,170,000</u>
Regional Office - X	2,442,000	728,000		3,170,000
Region XI - Davao	<u>1,792,000</u>	<u>579,000</u>		<u>2,371,000</u>
Regional Office - XI	1,792,000	579,000		2,371,000
Region XII - SOCCSKSARGEN	<u>1,750,000</u>	<u>768,000</u>		<u>2,518,000</u>
Regional Office - XII	1,750,000	768,000		2,518,000
Region XIII - CARAGA	<u>1,960,000</u>	<u>660,000</u>		<u>2,620,000</u>
Regional Office - XIII	1,960,000	660,000		2,620,000
310101100003000 Issuance of certificate of LGU net debt service ceiling and net borrowing capacity	<u>3,316,000</u>	<u>1,094,000</u>		<u>4,410,000</u>
National Capital Region (NCR)	<u>3,316,000</u>	<u>1,094,000</u>		<u>4,410,000</u>
Central Office	3,316,000	1,094,000		4,410,000
310102000000000 LOCAL FINANCE CAPACITY DEVELOPMENT SUB-PROGRAM	<u>42,741,000</u>	<u>21,243,000</u>	<u>33,950,000</u>	<u>97,934,000</u>
310102100001000 LGU training on policies, procedures and other competency requirements of local treasurers and assessors	<u>42,741,000</u>	<u>21,243,000</u>	<u>33,950,000</u>	<u>97,934,000</u>
National Capital Region (NCR)	<u>3,141,000</u>	<u>13,494,000</u>		<u>16,635,000</u>
Central Office	3,141,000	13,494,000		16,635,000
Region I - Ilocos	<u>3,578,000</u>	<u>480,000</u>	<u>1,100,000</u>	<u>5,158,000</u>
Regional Office - I	3,578,000	480,000	1,100,000	5,158,000
Cordillera Administrative Region (CAR)	<u>2,155,000</u>	<u>482,000</u>		<u>2,637,000</u>
Regional Office - CAR	2,155,000	482,000		2,637,000
Region II - Cagayan Valley	<u>3,713,000</u>	<u>487,000</u>		<u>4,200,000</u>
Regional Office - II	3,713,000	487,000		4,200,000
Region III - Central Luzon	<u>2,971,000</u>	<u>553,000</u>		<u>3,524,000</u>
Regional Office - III	2,971,000	553,000		3,524,000
Region IVA - CALABARZON	<u>2,393,000</u>	<u>522,000</u>		<u>2,915,000</u>
Regional Office - IVA	2,393,000	522,000		2,915,000

Region IVB - MIMAROPA	1,738,000	561,000		2,299,000
Regional Office - IVB	1,738,000	561,000		2,299,000
Region V - Bicol	1,830,000	530,000	17,850,000	20,210,000
Regional Office - V	1,830,000	530,000	17,850,000	20,210,000
Region VI - Western Visayas	2,971,000	512,000		3,483,000
Regional Office - VI	2,971,000	512,000		3,483,000
Region VII - Central Visayas	3,601,000	510,000		4,111,000
Regional Office - VII	3,601,000	510,000		4,111,000
Region VIII - Eastern Visayas	2,474,000	565,000		3,039,000
Regional Office - VIII	2,474,000	565,000		3,039,000
Region IX - Zamboanga Peninsula	1,789,000	592,000		2,381,000
Regional Office - IX	1,789,000	592,000		2,381,000
Region X - Northern Mindanao	2,013,000	500,000		2,513,000
Regional Office - X	2,013,000	500,000		2,513,000
Region XI - Davao	2,392,000	461,000		2,853,000
Regional Office - XI	2,392,000	461,000		2,853,000
Region XII - SOCCSKSARGEN	2,960,000	513,000	15,000,000	18,473,000
Regional Office - XII	2,960,000	513,000	15,000,000	18,473,000
Region XIII - CARAGA	3,022,000	481,000		3,503,000
Regional Office - XIII	3,022,000	481,000		3,503,000
Sub-total, Operations	88,854,000	43,686,000	33,950,000	166,490,000
TOTAL NEW APPROPRIATIONS	P 171,149,000	P 100,026,000	P 33,950,000	P 305,125,000

Obligations, by Object of Expenditures

CYs 2016-2018
(In Thousand Pesos)

	2016	2017	2018
Current Operating Expenditures			
Personnel Services			
Civilian Personnel			
Permanent Positions			
Basic Salary	93,815	105,996	114,845
Total Permanent Positions	93,815	105,996	114,845

Other Compensation Common to All			
Personnel Economic Relief Allowance	6,264	6,480	6,456
Representation Allowance	1,843	1,122	1,122
Transportation Allowance	1,287	1,122	1,122
Clothing and Uniform Allowance	1,323	1,350	1,345
Honoraria	204		
Overtime Pay	16		
Mid-Year Bonus - Civilian	8,156	8,834	9,570
Year End Bonus	12,007	8,834	9,570
Cash Gift	1,296	1,350	1,345
Step Increment		663	290
Collective Negotiation Agreement	5,608		
Productivity Enhancement Incentive	1,292	1,350	1,345
Total Other Compensation Common to All	39,296	31,105	32,165
Other Compensation for Specific Groups			
Longevity Pay	80		
Provident/Welfare Fund Contributions	1		
Other Personnel Benefits	24		
Total Other Compensation for Specific Groups	105		
Other Benefits			
Retirement and Life Insurance Premiums	11,312	12,720	13,784
PAG-IBIG Contributions	309	324	324
PhilHealth Contributions	984	868	997
Employees Compensation Insurance Premiums	310	324	324
Retirement Gratuity		9,070	17,117
Loyalty Award - Civilian	120		
Terminal Leave	2,233	3,376	5,377
Total Other Benefits	15,268	26,682	37,923
TOTAL PERSONNEL SERVICES	148,484	163,783	184,933
Maintenance and Other Operating Expenses			
Travelling Expenses	10,553	15,526	13,264
Training and Scholarship Expenses	14,172	21,552	40,302
Supplies and Materials Expenses	6,687	6,057	8,533
Utility Expenses	3,090	3,453	2,829
Communication Expenses	4,565	7,715	3,001
Awards/Rewards and Prizes	41		40
Confidential, Intelligence and Extraordinary Expenses			
Extraordinary and Miscellaneous Expenses	1,643	1,830	1,785
Professional Services	6,300	12,604	13,782
General Services	3,385	5,164	4,232
Repairs and Maintenance	1,755	1,778	1,546
Taxes, Insurance Premiums and Other Fees	419	624	575
Other Maintenance and Operating Expenses			
Advertising Expenses	123	989	200
Printing and Publication Expenses	51	66	170
Representation Expenses	275		999
Transportation and Delivery Expenses	146		
Rent/Lease Expenses	7,896	9,753	8,244
Membership Dues and Contributions to Organizations	47	44	40
Subscription Expenses	62	953	484
Other Maintenance and Operating Expenses	295	128	
TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES	61,505	88,236	100,026
TOTAL CURRENT OPERATING EXPENDITURES	209,989	252,019	284,959

Capital Outlays

Property, Plant and Equipment Outlay			
Buildings and Other Structures		21,807	32,850
Machinery and Equipment Outlay	6,783	2,000	
Transportation Equipment Outlay			1,100
Intangible Assets Outlay	9,737		
TOTAL CAPITAL OUTLAYS	<u>16,520</u>	<u>23,807</u>	<u>33,950</u>
GRAND TOTAL	<u>226,509</u>	<u>275,826</u>	<u>318,909</u>

STRATEGIC OBJECTIVES

SECTOR OUTCOME : Sound, stable and supportive macroeconomic environment sustained

ORGANIZATIONAL
OUTCOME : Fiscal sustainability of LGUs strengthened

PERFORMANCE INFORMATION

ORGANIZATIONAL OUTCOMES (OOs) / PERFORMANCE INDICATORS (PIs)	2016 Actual	2017 Targets
Fiscal sustainability of LGUs strengthened		
Ratio of LGU expenditures over total income	0.77	Ratio is < or = .1
Percentage of total actual collections of LGUs from local taxes and other locally generated revenue sources versus targets	99.39%	Collection efficiency is > or = 95%
Number of LGUs not exceeding 20% of their regular income for debt servicing (Sec. 324 (b) of RA 7160)	99.36% (1,703 LGUs)	No. of LGUs is > or = 95% of the total number of provinces, cities and municipalities nationwide

MFO / Performance Indicators	2016 Targets	2016 Actual	2017 GAA Targets
MFO 1: REGULATION OF LGU FINANCIAL MANAGEMENT			
Number of directives, guidance notes, policies and procedures issued	459	1,385	459
Number of compliance reviews carried out	2,763	3,106	2,763
% of LGUs that breach one or more of the rules, directives, guidelines, policies or procedures specified by BLGF	20%	4.13%	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%	0.52%	15%
% of LGUs subject to three or more compliance reviews in the last two years	10%	42%	10%

<u>ORGANIZATIONAL OUTCOMES (Oos) / PERFORMANCE INDICATORS (PIs)</u>	<u>Baseline</u>	<u>2018 Targets</u>
Fiscal sustainability of LGUs strengthened		
LOCAL FINANCE ADMINISTRATION PROGRAM		
LOCAL FINANCE POLICY REFORMS AND FISCAL PERFORMANCE MONITORING AND EVALUATION SUB-PROGRAM		
Outcome Indicator(s)		
1. Ratio of LGU expenditures over total income	0.77	< or = 1
2. Percentage of actual collections of LGU from local taxes and other locally-generated revenue sources versus targets	78%	> or = 83%
3. Number of LGUs not exceeding 20% of their regular income for debt servicing	1662	> or = 1662
Output Indicator(s)		
1. Percentage of requests for policy opinions and consultations provided in a timely manner	85%	> or = 90%
2. Percentage of LGU assessed on revenue and assessment performance	60%	> or = 60%
3. Percentage of LGUs evaluated for the issuance of certificate of net debt service ceiling and net borrowing capacity	95%	> or = 95%
LOCAL FINANCE CAPACITY DEVELOPMENT SUB-PROGRAM		
Outcome Indicator(s)		
1. Percentage of training satisfaction for training programs	90%	> or = 90%
Output Indicator(s)		
1. Percentage of treasurers and assessors trained over the total number of treasurers/ assessors	95%	> or = 95%
2. Percentage of LGU capacitated/ informed on local finance policies	95%	> or = 95%
3. Number of trainings conducted for LGUs	47	> or = 60