



# The DBM Bulletin

The Official Newsletter of the Department of Budget and Management

## Good Governance Dialogues: Engaging Stakeholders to Become Reform Champions

Committed to promote greater transparency and accountability in government as well as citizen empowerment, the Department of Budget and Management (DBM) in partnership with the Union of Local Authorities of the Philippines (ULAP), the Development Alternatives, Inc. (DAI), the United States Agency for International Development (USAID), and civil society members of the Philippine Open Government Partnership (OGP), organized a series of *Good Governance Dialogues* on the current administration's Open Government initiatives and the 2015 proposed National Budget. The activity aims



Budget and Management Secretary Florencio "Butch" Abad presents the budget reforms to the participants of the *Good Governance Dialogues*.

to raise awareness on the OGP and the Good Governance Cluster, encourage support for the OGP commitments and Good Governance Cluster initiatives through dialogues with good governance reform champions at the local and national levels, and provide an avenue for action planning among local government units and local civil society organizations (CSOs) on co-creating the next OGP Action Plan as well as localizing the OGP commitments.

The event, which kicked off on September 2 at the Crowne Plaza Manila Galleria, brought together more than 200 participants from national and local governments, civil society organizations, the academe, international partners,

business groups, and the media to discuss reforms on open governance and fiscal transparency.

DBM Secretary Florencio Abad said that the forum serves as an appropriate venue to engage various stakeholders in actively supporting and participating in the government's good governance reform agenda. It likewise allows us "to assess how far we have actually gone in pursuing our good governance agenda."

He added that "improving stakeholder engagement will enable us to meet our open governance commitments. Key to this is facilitating fruitful dialogue with the country's governance reform champions and encouraging them to take a more active role in our reform agenda."

The first day of the two-day forum was devoted to discussions on the 2015 proposed national budget, and the budget reforms directed at enhancing fiscal transparency, particularly the Zero-Based Budgeting (ZBB) approach. Simultaneous break-out sessions on the ZBB studies (Agriculture and Reforestation Program, Programs of State Universities and Colleges and Employment Generation in the Private Sector, Household Electrification Program and Quick Response Funds) were done in the afternoon.

In day two, reform champions from national and local governments discussed open government opportunities and exemplary good governance practices of local governments. A workshop to craft a joint government-civil society Philippine Action Plan for the OGP was likewise held. All Action Plans from the *Good Governance Dialogues* will be consolidated to come up with a draft co-created Action Plan which will be presented to the Philippine OGP steering committee.

The forum sustained the momentum of successful open governance events conducted earlier in the year, including the Good Governance Summit and the Daylight Dialogues.

(PIU/TIS)

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## DBM Shares Experiences on PFM in Mongolia

*Collaboration. Unity. Cooperation.* Working together has always been the key in carrying out projects more efficiently. In this light, the Philippines partook in the 2014 Plenary Conference of the Public Expenditure Management Network in Asia (PEMNA) in Ulaanbaatar, Mongolia last June 11-13, 2014. The event brought together more than a hundred public officials from countries across the East Asia and the Pacific Region for the sharing of country experiences on public finance reforms.

The Philippine delegation was composed of Assistant Secretary Amelita Castillo, Director Carmencita Mahinay, and Director Ruby Esteban from the Department of Budget and Management, Assistant Commissioner Winnie Rose Encallado from the Commission on Audit, and Deputy Treasurer Giselle Lood and Chief Accountant Carol Jorge from the Bureau of the Treasury.

The PEMNA is a demand-driven, sustainable, peer-learning network of practitioners in Public Financial Management (PFM). It provides a forum for these officials to come together and share professional

knowledge, practices, and experiences. In the end, it is expected that the knowledge, experiences, and challenges gained will contribute to the improvement of the PFM systems of member-countries. The PEMNA also facilitates the analysis of common problems and challenges and the benchmarking of PFM performance. The work of PEMNA is supported by a coalition of development partners including the World Bank, the Korean Ministry of Strategy and Finance, the International Monetary Fund, and the Overseas Economic Cooperation Development<sup>1</sup>. The Korean Institute of Public Finance provides secretariat services to the PEMNA.

Basically, the central structures of the PEMNA are the two Communities of Practice (CoPs): one in the area of budgeting or the B-CoP and another on treasury or the T-CoP.

The B-CoP sessions during the 2014 Plenary Conference covered the following topics: B-CoP progress since the 2013 Plenary and Seoul Study Visit; the Mongolian Planning and Budgeting System; Performance-oriented Planning and Budgeting Institutions; and Factors that Deliver

Better Outcomes in Terms of Fiscal Discipline, Allocative Efficiency, and Value for Money and Service Delivery. On the other hand, T-CoP sessions centered on the following topics: The Nuts and Bolts of Cash Planning and Developing Projections: Methods of Member-Countries; Learning from Mongolia; and Follow-up on Cash Management Survey: Self-Assessment.

The joint B-CoP and T-CoP sessions tackled the Budget Classification and Unified System of Accounts and the implications for budget preparation, financial reporting, and cash management, as well as the cases and best practices in the member-countries. For this purpose, Director Mahinay delivered a presentation on the Philippine experience entitled, "Philippine PFM Reform: Unified Accounts Code Structure (UACS)."

Assistant Secretary Castillo served as a moderator for one B-CoP session where she discussed "Allocative Efficiency Gaps and Reforms in the Philippines." Furthermore, Director Esteban was tasked to be a rapporteur for another B-CoP group.

Towards the end of the conference, the two CoPs discussed the way to go forward for the next 12 months in terms of what each group conceived of as the priority agenda items that needed to be tackled and pursued.

The PEMNA served as a venue where different countries shared diverse PFM reforms, various challenges and bottlenecks encountered, as well as interventions practiced. The conference proved to be a learning platform for the member-countries where each country's best practices in improving their PFM systems are shared among participating nations.

*(Dir. Ruby Esteban and  
ASec. Amelita Castillo)*



The Philippine delegates in front of the Parliament of Mongolia: (from left to right) Carol Jorge (BTr), Director Carmencita Mahinay (DBM), Deputy Treasurer Giselle Lood (BTr), Assistant Commissioner Winnie Rose Encallado (COA), Assistant Secretary Amelita Castillo (DBM), and Director Ruby Esteban (DBM).

<sup>1</sup> "Development Partners," PEMNA, <https://www.pemna.org/SitePages/Partners.aspx>

## DBM and UNICEF Ink Pact to Strengthen M&E System in Government



DBM Secretary Butch Abad and UNICEF country representative Ms. Lotta Sylwander (both seated) are joined by the Budget Performance Monitoring and Evaluation team headed by Undersecretary Mario Relampagos (10th from left) and some staff from the Office of the Secretary.

The Department of Budget and Management (DBM) and the United Nations Children's Fund (UNICEF) have signed a Memorandum of Agreement (MoA) to strengthen monitoring and evaluation (M&E) capacities in Government toward establishing a national results-based M&E system.

The UNICEF-DBM partnership seeks to strengthen M&E capacity of national government agencies in support of mainstreaming performance-informed budgeting (PIB) in Government for economic and social development.

**A Commitment to Support the DBM's Bid for ISO 9001:2008 Certification.** DBM employees show their commitment to the successful implementation of the DBM Quality Management System. The signing was done during the ISO Cascading Sessions conducted in five batches by the DBM QMS Core Team.



Speakers for the ISO cascading sessions include Ms. Marissa Santos, Ms. Merika dela Peña, and Mr. Angel Ferrer of the QMS Core Team, among others.

The PIB approach links public expenditure and results for better accountability, as well as increased efficiency and effectiveness, to attain targets set forth in the current Philippine Development Plan (PDP, 2011-2016) and Millennium Development Goals (MDG).

"We endeavor to enhance the capacity of Government in ensuring that M&E is in place in national policies and systems for more effective and efficient allocation of resources, especially for Filipino children," said Lotta Sylwander, UNICEF Philippines Representative.

In response, DBM Secretary Florencio Abad said, "Our partnership with UNICEF will give us access to new knowledge to help refine performance-informed budgeting as a key strategy to building a whole new culture in governance."

Under the MoA, UNICEF will provide technical assistance in developing a competency-based M&E module, conducting training workshops for DBM and key national government agencies, and strengthening M&E policies and systems.

Aside from DBM and the National Economic and Development Authority (NEDA), the MoA identifies other pilot agencies, namely, the Departments of Education (DepED); Health (DoH); Social Welfare and Development (DSWD); Interior and Local Government (DILG); Agriculture (DA); Environment and Natural Resources (DENR); Public Works and Highways (DPWH); and Transportation and Communication (DoTC).

(2014, August 18. Retrieved from [http://unicef.org/philippines/media\\_22949.html](http://unicef.org/philippines/media_22949.html))



## A New Home for Zamboanga City Procurement Service Sub-Depot

The first sub-depot in Region IX operated by the Zamboanga City government was originally housed at the Mayor Vitaliano D. Agan Gymnasium in Tetuan, Zamboanga City. It started its operations on May 25, 2012. Two years after, it moved to its new home strategically located at Pettit Barracks, Zamboanga City. The construction of the new building started on December 16, 2013 and was completed on July 3, 2014 at a cost of P10.6 million. Symbolic of Zamboanga

being “Asia’s Latin City”, the new Sub-Depot home boasts of a cream-colored two-storey Latin-inspired edifice. It is conveniently located within a stone’s throw away from other government offices and is easily accessible via public transport. The plan to put up a building to house the Sub-Depot was initiated by then Mayor and now District Representative Celso L. Lobregat and finally completed during the term of incumbent Mayor Maria Isabelle G. Climaco.

The blessing, inauguration and turn-over of the new Sub-Depot were held on July 10, 2014. Rev. Monsignor Crisologo Manongas officiated the blessing of the Sub-Depot. The occasion was graced by Congressman Lobregat, Mayor Climaco, Procurement Service Executive Director Estanislao C. Granados, Jr.\*, and staff, *Sanggunian Panlungsod* members, City Budget Officer/ Sub-Depot Manager Virginia San Agustin Gara and staff, DBM RO IX/Sub-Depot Supervisor Annabelle C. Echavez and staff,



New home to Zamboanga City PS Sub-Depot is a cream-colored two-storey Latin-inspired edifice located at Pettit Barracks, Zamboanga City.

officers from various national government agencies (NGAs), local government units (LGUs), government-owned and controlled corporations (GOCCs) and state universities and colleges (SUCs).

The event culminated in a luncheon served at the Centro Latino, Paseo del Mar Complex and the acknowledgement of the top five (5) buyers for NGAs, LGUs and GOCCs for 2013. Top awardees per category were given certificates of recognition, projector units and laser printers while the second to fifth placers each got certificates and laser printers.

The awardees are as follows:

NGAs	LGUs	GOCCs
1. Department of Health	1. Zamboanga City	1. Zamboanga City Water District
2. Bureau of Internal Revenue	2. Province of Zamboanga Sibugay	2. Phil. Health Insurance Corporation
3. Department of Public Works and Highways	3. Province of Zamboanga del Norte	3. Home Development Mutual Fund
4. Department of Social Work and Development	4. Isabela City	4. Land Bank of the Philippines
5. Western Mindanao State University	5. Municipality of Tungawan, Zamboanga Sibugay	5. Philippine Ports Authority

In his speech, Atty. Granados assured all those present that the Zamboanga City Sub-Depot offers the same low cost and high quality brands being patronized by those in Congress and even by no less than President Benigno Simeon Aquino himself.

*(Rizelle Bethzaida P. San Diego  
DBM RO IX)*

\*Executive Director Granados retired in July 2014. He was replaced by Executive Director Jose Tomas C. Syquia.

# PFM UPDATES



## DBM capacitates staff on UACS Administration and Repository



Members of the UACS Team on Administration Process listen intently to the discussion of Ms. Maritess Oguing (left photo) of the Harmonization of Government Accounts Project Team.

The Department of Budget and Management held a two-day training workshop on the Unified Accounts Code Structure (UACS) Administration and Repository to capacitate the DBM’s UACS Team in charge of the UACS Administration Process—a mechanism designed to ensure proper and controlled procedure in the UACS codes updating within DBM and the respective code element owners.

The UACS serves as the coding framework for the national government’s financial transactions in all phases of the budget cycle (budget preparation, legislation, execution and accountability). It was adopted for implementation effective 2014.

The training was participated in by technical staff from the Budget Technical Service and the Budget and Management Bureaus. It was conducted by the Training and Information Service (TIS) in coordination with the Harmonization of Government Accounts Project Team and the Administrative Service.

## DBM Launches UACS Help Desk

To ensure that all users of the Unified Accounts Code Structure (UACS) in national government agencies—including government owned and controlled corporations—apply the UACS accurately and consistently, the DBM has organized a UACS Help Desk which shall provide assistance to all agencies in answering queries on the application of UACS in a timely and accurate manner.

The DBM Budget Technical Service serves as the UACS Administrator responsible for the operation of the Help Desk with the assistance of the DBM Budget and Management Bureaus (BMBs) who are responsible for responding to the inquiries of their respective implementing agencies as stipulated in Office Order No. 2014-314.

The Help Desk can be reached at (02) 791-3002 and via e-mail (UACS@dbm.gov.ph).

## Life After Retirement

Many are looking forward to retirement. Who would not be when every day could be a Saturday (or Sunday!). You have no boss to report to, no deadlines to meet, no difficult people to interact with. Happy days, right?

Well, retirement is supposed to be that. A time to relax after years of working hard. It is supposed to be the time when you get to be with your family 24/7 and even play with your grandchildren or nieces and nephews. But to many DBM retirees, it may not be all Saturdays and Sundays, actually.

In this issue of the DBM Bulletin, we get to say hello again to our former colleagues who retired or resigned from the service and find out how their lives after retirement have been.

**Jaime C. Laya.** Former Budget Minister Jaime Laya headed the Ministry of Budget, now Department of Budget and Management



(DBM), from 1975 to 1981. After his stint in the government, he established the J.C. Laya and Co., (now Manabat Sanagustin & Co.) one of the largest auditing and consulting firms in the Philippines. Recently, he was conferred the Encomienda de Número, Orden del Mérito Civil (Order of Civil Merit) from Spain. The said accolade is a recognition of Dr. Laya's contributions to the country's heritage preservation.

(photo taken from <http://www.people.nfo.ph/>)

**Salvador M. Enriquez, Jr.** After his stint as Secretary of Budget and Management and later, as Secretary of Finance during the Ramos Administration, Secretary Salvador "Badong" M. Enriquez, Jr., along with a group of retired government executives organized in 2001 the Center for Public Resource Management (CPRM) Consultants, Inc., a Philippine-based consulting firm.



He also worked as a Consultant/Senior Adviser to the Mayor of Quezon City in 2002. He is currently the President of the Quezon City Polytechnic University and the Chair of the CPRM Consultants, Inc. Aside from being responsible for achieving the milestone surplus budget

during his stint, his "karisma" and "maka-masa" appeal made him one of those well-loved DBM Secretaries.

(photo taken from [www.gmanetwork.com](http://www.gmanetwork.com))



**Evelyn V. Guerrero.** Undersecretary Guerrero retired in February 2013 after almost 44 years of dedicated service in government. As a new retiree, she is enjoying her days

bonding with her family, going home during weekends to her hometown in Cabiao, Nueva Ecija. (photo from TIS file)

**Ariela dela Trinidad-Murphy.** Director Ariela Murphy served the DBM for 25 years, heading the Training and Information Service before she left for Hawaii in 2003 to be with her loved one.



She is currently into realty selling pieces of Hawaii, a community volunteer, and a love-peace advocate. Despite her busy schedule, she still manages to do one of her

best talents—writing—through her blog "Grains of Sand." (photo from her Facebook account)

**Gloria E. Lauzon.** Former Administrative Service Director Lauzon availed of the early retirement in 2009. She is presently preoccupied with multiple duties—as Treasurer and member of the Board of Trustees of Pearl S. Buck Foundation, Philippines and a consultant of the Philippines Australian Human Resource



Bank. (photo from her Facebook account)

Organizational Development Facility. This September, she is engaged in a new project with the Asian Development

**Orlando R. Garcia.**



Director Garcia served as head of the DBM RO IV-B from 2003 until his retirement in 2009. Given his experience and expertise in local government

budget and public financial management, he was hired as a consultant (PFM LGU Specialist) of the PFM-LGU Project Management Office of the DBM. (photo taken from TIS file)

**Vicenta A. Alinsug.** Director Alinsug used to head the Systems and Procedures Bureau (SPB) during her stint in DBM. After her separation from the department, Director Alinsug joined the CPRM



Consultants, Inc. is thriving as an organization until now. (photo from TIS file)

(Jeannie Ponio and Joy Almazan)

## Grassroots Participatory Budgeting: A Work in Progress

It was in 1986 when democracy was attained by the Filipino people after the Marcosian martial law. 1987 was the year when the new Constitution proclaimed "Engaged Governance," known to Filipinos as "participatory governance" or "people empowerment"<sup>1</sup>. Our State, being democratic, gives the people and their organizations the right to have "effective and reasonable participation at all levels of social, political, and economic decision-making (which) shall not be abridged. The State shall, by law, facilitate the establishment of adequate consultation mechanisms"<sup>2</sup>.

So why and how do the people participate in governance? Philippine civil society organizations (CSOs) started utilizing social contracts between citizen-voters, politicians, and bureaucrats in order to promote transparent, participatory, and accountable governance. These are developed to promote "performance-based, platform-oriented politics, and active citizenship"<sup>3</sup>. Ultimately, these mandates respond to eradicate (or at least lower) inequity, poverty, and marginalization of the poor.



**A Road of Opportunities.** Through the Grassroots Participatory Budgeting process, a dream is realized—photo shows a farm-to-market road being constructed in the town of Mulanay, Quezon to help facilitate mobility of people and farm produce. (Photo from RIU)

When President Benigno Aquino III assumed the presidency in 2010, efforts to put daylight in governance were actively pursued. The budget was made more transparent through mandatory disclosure of budget information in government websites and wider citizens' engagement in budgeting, among others.

In 2012, the current Administration introduced the Bottom-up Budgeting (renamed to Grassroots Participatory Budgeting or GPB) in the 2013 budget preparation to engage grassroots communities in crafting the budget. In this approach, budget proposals of agencies are prepared, taking into consideration the development needs of cities/municipalities as identified in their respective local poverty reduction action plans that shall be formulated with strong participation of basic sector organizations and other civil society organizations<sup>4</sup>. Since its pilot implementation, the number of participating cities and municipalities widened from 595 in 2012 to 1,225 in 2013 (for the 2014 budget preparation) and 1,590 in 2014 (2015 budget preparation).

This participatory process under the 2015 proposed Budget resulted in a P20.9 billion worth of anti-poverty related projects which were considered for inclusion in the budgets of 13 government departments and agencies.

Two years since its inception, GPB may still be considered as a work in progress posing many areas for improve-

ment. A study<sup>5</sup> done by the Philippine Institute for Development Studies led by Ms. Rosario Manasan, in June 2014 released its preliminary recommendations on the GPB process which include the following:

1. Invest more on social preparation in order to adopt enhanced processes;
2. Develop project briefs and prepare budget for said projects, as well as its monitoring and evaluation system;
3. Fast-track project implementation in order to reduce suspicion and impatience;
4. Provide regular feedback to CSOs regarding the status of implementation;
5. Improve communication and coordination between the National Government Agencies (NGAs) and LGUs;
6. Provide greater role for CSOs in monitoring projects;
7. Give more time for GPB processes (e.g. timely issuance of invitation to assembly);
8. Become more open to participation of CSOs (not limiting to only LGU-accredited CSOs);
9. Provide logistical support to CSO representatives (e.g. transportation allowance);
10. Form federation of CSOs who belong to same sector; and
11. Promote greater clarity in roles of focal persons.

Regular assessment of the GPB Process is deemed as an essential component in making anti-poverty projects more successful and effective. It is also important that ordinary people become aware of such processes and rights. (Macy Matundan and Joy Almazan)

<sup>1</sup>Jeremy R. Barns. *Engaged Governance: An Overview of the Philippine Governance*. December 9, 2003.  
<sup>2</sup>Article XIII Section 6 of the Philippine Constitution.  
<sup>3</sup>Carmen Malena (editor). *From Political Won't to Political Will: Building Support for Participatory Governance*. 2009.  
<sup>4</sup>National Budget Memorandum No. 121. March 18, 2014.  
<sup>5</sup>Scope/coverage of study: Selected municipalities in Agusan del Norte, Camarines Sur, Negros Occidental, and Quezon.



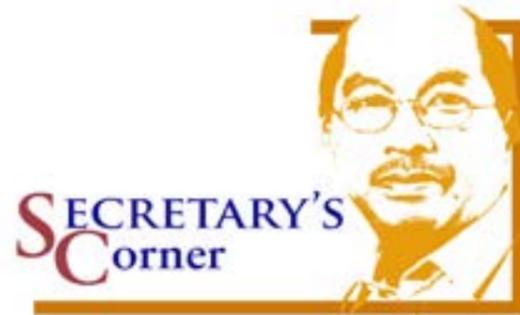
The country's impressive leap in the world's competitiveness ranking over the past four years only proves that good governance DOES matter!

In the 2014 World Economic Forum (WEF) Global Competitiveness Index, the Philippines jumped 33 notches from its 85th place in 2010 to 52nd place this year. Last year, the country ranked 59th.

DBM Secretary Florencio 'Butch' Abad said that our remarkable performance in the global competitiveness index was largely influenced by the current Administration's governance and fiscal reforms such as the Open Governance Partnership, open data initiatives, and other budget-related reforms which helped enhance the government's transparency and accountability.

"The WEF has recognized the Administration's efforts to curb corruption that has long stymied our progress. What we are now seeing is that our governance reforms are bearing fruit. We're pleased that the world agrees," Abad said.

(PIU/TIS)



## Statement from Secretary Butch on the 6.4 GDP Growth\*

"We're very pleased with the news of our 6.4-percent GDP growth for the second quarter of 2014. Although challenges over the previous year have affected the country's economic momentum, our growth for the last quarter sends a clear and encouraging message: the country's economy is set to pick up further as the year progresses.

"More impressive is the fact that our GDP growth for the period puts us squarely at the top of all other Southeast Asian economies, a distinction we currently share with Malaysia. Among our Asian counterparts, the Philippines—along with Malaysia—is second only to China as the fastest growing economy in the region. This speaks volumes not only of the resilience of the Philippine economy to destabilizing external forces, but also of its capacity to expand further to accommodate the country's development needs.

"After posting a 62.7-percent year-on-year spike in infrastructure spending in June, we're looking forward to facilitating speedier disbursements in the third and fourth quarters of the year."

\* The complete statement of Secretary Abad on the second quarter GDP growth can be viewed on the DBM website ([www.dbm.gov.ph](http://www.dbm.gov.ph)).

### Briefing on the Budget Process: Then and Now

Mr. Joel Perez, Budget and Management Specialist II of the Budget Technical Service, explains the budget process to more than a hundred Financial Management and Marketing students of World Citi Colleges during a half-day briefing held on August 26, 2014 in the DBM Multi-Purpose Hall. The briefing is one of the services that the DBM provides, through the Training and Information Service, to keep the public informed on the latest developments in budgeting.



### To our valued readers and contributors:

For those who would like to submit original contributions (i.e., articles, literary works), the deadlines for submission are as follows:

1st quarter issue: 2nd week of February  
2nd quarter issue: 2nd week of May  
3rd quarter issue: 2nd week of August  
4th quarter issue: 2nd week of November

Please email us ([tis@dbm.gov.ph](mailto:tis@dbm.gov.ph)). We'd be delighted to hear from you.

## SPMS Implementation Underway



With the issuance of Department Order 2014-14 dated July 1, 2014, the DBM has officially adopted a set of guidelines for the implementation of the Strategic Performance Management System (SPMS).

Under the guidance of the new Performance Management Team (PMT) Chair, Assistant Secretary Clare Cattleya G. Amador, negotiations and agreements on the performance targets of the different offices for the second semester of 2014 have gone full swing. The DBM Secretary has sealed these commitments with the approval of the Office Performance Commitment and Review (OPCR) forms.

SPMS links individual performance with office and Department objectives. Individual employees have confirmed their commitment to the fulfillment of the same through the signing of their respective Individual Performance Commitment and Review (IPCR) forms.

Moreover, SPMS advocates coaching as an effective leadership style to actively engage employees as partners in performance management. Constant dialogue and stimulating discussions between coach and coachee help employees achieve greater clarity about the organization's goals and how they can contribute towards the attainment of the same.

As part of regular performance monitoring, individual accomplishments should be reported to the Unit PMT at least monthly, and the office accomplishments to the DBM PMT every quarter.

(DBM PMT)

## Records Management

Any government agency is incessantly involved in different transactions from the simplest matter to the most complicated and confidential ones. And regardless of the degree of importance, each document involved shall be treated and kept cautiously; thus, a functional and effective records management system must be maintained in every government office.

However, it is observed that there has been a low level of importance accorded to records administration which diminishes morale among records officers. As a result, there is hardly an effort in organizing government documents such that when a document is needed, it will take time before it can be retrieved, thus, oftentimes jeopardizing the transparency measures of the bureaucracy. To address these concerns, a seminar-workshop on records management was conducted last

August 13 to 14 by the Philippine Records Management Association, Inc.

The training, participated in by Administrative Officers and technical staff handling office records from the Central and Regional Offices, gave the participants an overview of the international standards for managing records as well as provided them with information on records management terms and principles, records disposition, and records inventory. After the course, they are expected to be

well-adept in basic records management keeping in mind the retention limits of various documents and files generated from and received by their offices.



**All smiles.** Participants pose for a group photo after their very informative training on records management.

# Compensation Compendium

From a compilation prepared by the Organization, Position Classification and Compensation Bureau

**Issue:** Are government employees entitled to additional remuneration when called upon to serve as lecturers, resource persons, coordinators and facilitators?

**DBM Response:**

Under Budget Circular No. 2007-12, government personnel who act as lecturers, resource persons, coordinators or facilitators in trainings, seminars and workshops organized by another government entity may be paid honoraria based on the number of lecture/training hours and an even number of preparatory hours.

The rate of honorarium shall be based on the monthly salary of the incumbent using the following formula:

$$\text{Honorarium} = (2) \left( \frac{\text{MSR}}{1 \text{ month}} \times \frac{1 \text{ month}}{22 \text{ days}} \times \frac{1 \text{ day}}{8 \text{ hours}} \right) (2) (T \text{ hours})$$

Where MSR = monthly salary rate  
T = actual lecture/training hours

With due consideration of the personal qualification of the speaker, the complexity of the subject matter and the professional standing of the participants, the rate of honoraria may be increased but not to exceed two times the hourly rate of a Professor VI (SG-29, step 1), using the above formula.

Said formula applies to trainings, seminars and workshops with fifty or less than fifty participants. In the event that there are more than fifty participants, the rate of honoraria may be increased proportionately.

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**Records . . . from page 9**

The seminar likewise complemented the DBM ISO 9001 (Quality Management System) certification efforts.

Before the start of the seminar, the moderator asked the participants about the issues on records management that they would like to be answered at the end of the course and some of the answers were regarding the new laws and policies on records disposition and the review on the staffing pattern which will identify and clarify the functions of a records officer.

The three speakers from the Philippine Records Management Association, Inc. used audio-visual presentation, workshop exercises, and open forum in providing techniques on records inventory and record appraisal systems, emphasizing the factors to consider in deciding as to when to keep and to let go documents and files, and the mode of disposing such government records.

Throughout the seminar, the participants were very interactive and vocal about their opinions and questions. They also expressed, through the evaluation sheets, the significant learnings they have gained from the seminar workshop. And since knowledge should be shared, the DBM expects them to impart their learning in their respective offices and collectively promote a sustainably effective and functional records management system. As the saying goes, "Let records management take you... from heap to harmony... from chaos to control."

(HRDD)

## Women on Top (Part II)



*"You can have unbelievable intelligence, you can have connections, you can have opportunities fall out of the sky; But in the end, hard work is the true, enduring characteristic of successful people."*

-Marsha Evans, retired Rear Admiral in the US Navy (from www.keepinspiring.me)

Successful women do not suddenly get on top just because triumph simply lands exactly on their palms. Rather, success always entails diligence and perseverance. It means having to face a number of obstacles along the way and sometimes failing to overcome them. The most important part, however, is to get back on feet and push further to finish or pursue whatever one has started. Success is never complete without passion. Without enthusiasm for work, success will never be attained (though obtaining only a bland one is possible).

In this issue, we present the second part of the "Women on Top" series that we started in a previous issue. Here, we introduce our two new Assistant Secretaries in the DBM who have excelled in their respective fields of expertise—Asec. Chua and Asec. Hamada.

**Assistant Secretary Myrna S. Chua**



Photo from www.gov.ph

It is only natural for strong women to get out of their comfort zones. Exploring the vastness of opportunities that their field of work can offer is such an enticing quest to further one's career. After all, the experiences they get along the way will strengthen and broaden their knowledge and beliefs.

Fresh from her stint as Deputy Commissioner (on detail) at the Bureau of Customs, we welcome back one of our newest assistant secretaries, former Organization, Position Classification and Compensation Bureau (OPCCB) Director Myrna S. Chua, a key player in many compensation reforms including the Salary Standardization Law III and Performance Based-Budgeting, among others.

This low profile lady worked at the Development Academy of the Philippines before joining the Budget Commission as an Organization and Methods Evaluator in June 1976. Asec. Chua held various positions in different bureaus until she became the Director of the OPCCB in 2005, which she still serves in concurrent capacity. She finished both her Bachelor of Science in Business Economics and Diploma in Industrial Relations from the University of the Philippines. She also holds a master's degree in Business Administration from the Ateneo de Manila University.

Aside from being the concurrent head of OPCCB, Asec. Chua, together with Undersecretary Richard Moya, is handling and managing the Organizations and Systems Improvement (OSI) group of the DBM. She is also the Overall Quality Management Representative of the DBM Quality Management System. (Jeannie Ponio)

**Assistant Secretary Maxine Tanya M. Hamada**



Photo from TIS file photos

It is inspiring to know that we have strong, independent women in the DBM. Having the opportunity to talk with one of them and discuss about her principles, motivations, and own inspiration in continuing her work is indeed a special chance.

Maxine Tanya M. Hamada was born in the City of Pines on September 2. She received her education from public institutions from elementary all the way through college. She spent her primary schooling in Special Education Center and Baguio Central School and descended to Quezon City where she attended Philippine Science High School. She then took a science-related course in the University of the Philippines Diliman, where she spent some time working after graduation.

One might get lost when tracking her professional record because multi-tasking is written all over it. After her stint in UP, she joined the government, particularly working in the Presidential Task Force for Indigenous Peoples, then became the senior technical officer of the Office of the Presidential Adviser on the Peace Process (OPAPP). In 2005, she was part of the team that put up the International Center for Innovation, Transformation, and Excellence in Governance (INCITEGov), alongside her consultancy work in the United Nations Development Program (UNDP), and also in OPAPP and UP. She then joined the National Grid Corporation of the Philippines (NGCP) as corporate social responsibility officer before going back to INCITEGov

## LS Nook

Prepared by the  
Legal Service**Subject:**

**Whether or not an employee whose penalty of dismissal was later on reduced to suspension may be entitled to the payment of back salaries.**

**Facts:**

A former Bureau of Internal Revenue employee was found guilty of grave misconduct by the Office of the Ombudsman and was ordered dismissed from the service with forfeiture of benefits, cancellation of eligibility and perpetual disqualification from re-employment in the government service. On appeal, the Supreme Court (SC) modified the said Order declaring instead said employee guilty of simple misconduct and imposing the penalty of suspension for six (6) months. However, since the said employee has already reached compulsory retirement when the SC promulgated said Decision, the employee requested for payment of back salaries from the time of suspension until compulsory retirement citing *Salvador A. Pleyto vs. Philippine National Police Criminal Investigation and Detection Group (PNP-CIDG)*<sup>1</sup> which held that upon reversal of a judgment of dismissal,

the accessory penalties imposed including forfeiture of retirement benefits are consequently lifted.

**Ruling:**

In the case of *Civil Service Commission vs. Richard G. Cruz*<sup>2</sup>, the SC expressly set two (2) conditions before a government employee may be entitled to back salaries: (i) that the employee must be exonerated; and (ii) that the suspension must be unjustified.

In the instant case, it is clear that the said employee was not exonerated, but was merely found guilty of a lesser offense. Following the above-cited SC Decision, if the offense found to have been actually committed is of lesser gravity than the offense charged, the employee cannot be considered exonerated.

Neither could *Pleyto vs PNP-CIDG* be used as basis for payment of back salaries because in said case, the SC simply pronounced the payment of

retirement benefits to the dismissed employee after finding him guilty of a lesser offense and did not cover the payment of back salaries.

In fine, applying a long line of cases<sup>3</sup>, when the Court decision is silent on the payment of back salaries, a suspended government employee may only be entitled thereto if he or she is found innocent of the charge and his or her suspension is established to be unjustified. Said requirements are clearly not present in the instant case.

<sup>1</sup> 538 SCRA 524 (2007)

<sup>2</sup> 655 SCRA 214 (2011)

<sup>3</sup> *Yolanda Brugada, et al. vs. Secretary of Education, Culture and Sports, G.R. Nos. 142332-43*. January 31, 2005 citing *Bangalisan vs. Court of Appeals*, 276 SCRA 619 (1997); *Alipat vs. Court of Appeals*, 308 SCRA 781 (1999), *Carmen Alipat et.al. vs. Court of Appeals et.al.*, 308 SCRA 781 (1999)

Women . . .

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and became its Executive Director, until she was offered an Assistant Secretary position in DBM this year. She is particularly assigned to assist Undersecretary Mario Relampagos in the Monitoring and Evaluation functions and as the focal person for the Grassroots Participatory Budgeting (GPB), as well as the Open Government Partnership and the Cabinet Cluster in Good Governance and Anti-Corruption.

Asec. Hamada's forte is on looking for engagement strategy between public and civil society, then, most essentially, making it work. With her background focused on bridging the citizens, civil society, government institutions, and private sector, we can be assured that she can perform well with the programs placed on her plate. One of which is looking into the GPB and making it succeed. She hopes to see an expansion and reinvigoration of the partnership with Civil Society Organizations (CSOs) with regard to this program. She is also working on good governance and anti-corruption cluster to make it more efficient and to check if targets are met, specifically through interagency work.

With her simple and unpretentious aura, one would get surprised with Asec. Hamada's extracurricular activities. In 2011, she was included in USA's 100 Women Initiative's International Visitor Leadership Program (IVLP) for Women in Civic Life. She is also one of the youngest members of the National Council of National Citizens' Movement for Free Elections (NAMFREL). Moreover, she is also a member of *Samahan ng mga Pilipina para sa Reporma at Kaunlaran (SPARK)* and a founding member of *Young Public Servants (YPS)* together with Senator Bam Aquino. On a lighter note, she also enjoys diving (Kalayaan Islands as one of her favorite diving sites) and photography. (*Macy Matundan*)