



The **DBM** **Quarterly** **Report**



Q3
2022

This Quarter's Highlights

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NEW DBM SENIOR OFFICIALS SWORN IN

Following her instatement as the new Budget Chief, Secretary Pangandaman also officially sworn in a new team of DBM senior officials coming from different public and private organizations.

With new senior officials on board, an updated organizational structure was introduced to enhance and strengthen the organization. In addition, new functional group heads (FGH) were assigned, as indicated in DBM Department Order (D.O.) No. 19A, s. 2022, titled "Amending Department Order No. 19, s. 2022 dated 22 July 2022 Re Updated Organizational Structure of the Department of Budget and Management and Assignments of Senior Officials."

Functional Group Assignments

Undersecretary Janet B. Abuel

- Legal and Legislative Group

Undersecretary Tina Rose Marie L. Canda

Assistant Secretary Cristina B. Clasara

- Budget Preparation and Execution Group

Undersecretary Margaux Salcedo

- Communications, Advocacy and Stakeholder Relations Group

Undersecretary Goddess Hope O. Libiran

- Media Affairs and Community Relations Office
- Supervising Senior Official of Internal Audit Service

Undersecretary Maria Francesca M. Del Rosario

Assistant Secretary Gerardo E. Maula

- Information and Communications Technology Group

Undersecretary Wilford Will L. Wong

Assistant Secretary Rolando U. Toledo

- Local Government and Regional Operations Group

Undersecretary Leo Angelo M. Larcia

Assistant Secretary Clarito Alejandro D. Magsino

- Internal Management Group

Undersecretary Joselito R. Basilio

Assistant Secretary Romeo Matthew T. Balanquit

- Budget Policy and Strategy Group

Assistant Secretary Achilles Gerard C. Bravo

- Organization and Systems Improvement Group

LOCAL GOVERNMENT UNITS (LGUS) ADOPT THE ENHANCED PFMAT

Local Budget Circular No. 147 dated July 29, 2022 has mandated the LGUs to adopt the enhanced Public Financial Management Assessment Tool (PFMAT), and its electronic version (ePFMAT), based on the Public Expenditure and Financial Accountability (PEFA) framework updated in 2016.

The enhanced PFMAT is a self-assessment instrument designed to assist LGUs in evaluating their PFM performance by describing key characteristics of a good PFM system, identify performance indicators, and identify information sources to help LGUs establish compliance.

The electronic version of the PFMAT was designed and developed in-house under the auspices of the Asian Development Bank Technical Assistance.

The ePFMAT is a web-based application that automates the assessment of the LGU's PFM system based on the enhanced PFMAT manual, and assists in the preparation of the PFM Improvement Plan.

Rollout of the Enhanced PFMAT for LGUs and ePFMAT is assigned to the DBM ROs, including orientation, and the monitoring and evaluation of the PFM Improvement Plans.

Seven Pillars of Performance of a good PFM system

- 1. Policy-Based Budgeting**
- 2. Comprehensiveness and Transparency**
- 3. Credibility of the Budget**
- 4. Predictability and Control in Budget Execution**
- 5. Accounting, Recording, and Reporting**
- 6. Internal and External Audit**
- 7. Citizen's Participation in the Budget Process**



DBM RO VII Refresher of PFM for LGUs

PHP 4.1 BILLION SPECIAL ALLOTMENT APPROVED TO AID 4 MILLION BENEFICIARIES

On August 1, 2022, DBM Secretary Pangandaman approved the release of the Special Allotment Release Order (SARO) amounting to Php 4,133,932,538 to the DSWD to help mitigate the impact of inflation, especially for the most vulnerable households.

This Php 4.1 Billion allotment, which will cover the second tranche requirements for the Targeted Cash Transfer (TCT) Program, is expected to benefit 4 million beneficiaries. Said immediate release was requested by the Department of Finance.

Under the program, each non-4Ps beneficiary identified by the DSWD will receive an amount of Php 500 per month for two months.

“This is good news, especially for the most vulnerable households who will be the beneficiaries of the second tranche of the TCT Program. *Sila iyong mga kababayan natin na lubhang naapektuhan ng pagtaas ng gasolina at iba pang bilihin.* We want them to know and feel that their government is here for them. We are ready to help them,” Budget Secretary Amenah Pangandaman said.

“Hangga’t kaya natin, patuloy po nating susuportahan ang mga programa ng pamahalaan na magbibigay-tulong sa ating mga kababayan.

Sa kabila po ng pandemya at pagtaas ng presyo ng mga bilihin, patunay po ang ayudang ito na hindi po kayo pinababayaan ng gobyerno sa panahong kayo ay nangangailangan.”

Secretary Amenah F. Pangandaman

ADDITIONAL PHP 2 BILLION RELEASED FOR FAMILIES IN DIFFICULT CIRCUMSTANCES

An additional Php 2 Billion has been approved for release on August 8, 2022 through a SARO issued to the DSWD to assist families in difficult circumstances, especially for those beset by crisis situations.

The DSWD's Assistance to Individuals in Crisis Situation (AICS) forms part of the Protective Services for Individuals and Families in Difficult Circumstances (PSIFDC). AICS is a provision of integrated services, including financial assistance for transportation, medical, burial, food and other support services, which are given to individuals and families in crisis situation. Material assistance is also provided for eligible families, be it in the form of food packages, assistive devices, and hygiene and sleeping kits.

The DSWD said that the additional funding will contribute greatly to the benefit of the clients, especially that prices of commodities and services continue to increase. In addition, it will also help more individuals in crisis in availing of the different packages under AICS.

As of June 30, 2022, the AICS program served over 1.5 million clients exceeding its annual target of around 1.4 million. Around 642,348 remaining clients are projected for 2022.



Photo from DSWD Field Office I

PHP 1.4 BILLION FUNDING RELEASED FOR THE LIBRENG SAKAY AT THE EDSA BUSWAY

The DBM approved the SARO and the Notice of Cash Allocation (NCA) on August 9, 2022 for the release of Php 1.4 Billion additional funding to support the extended implementation of the Service Contracting of Public Utility Vehicle (PUV) Program of the Land Transportation Franchising and Regulatory Board.

The release of the funds for the program comes after the directive of President Ferdinand “Bongbong” R. Marcos Jr. to extend “Libreng Sakay” along the EDSA Busway until December 31, 2022.

The funds will benefit around 628 units of onboarded Public Utility Buses (PUBs) on the EDSA Busway Route in the National Capital Region, and up to 50 million ridership from September 1 to December 31, 2022.

The Service Contracting Program provides financial support to transport service providers through performance-based payouts. It was conceived to ensure efficient and safe operations of public transportation under the new normal condition for the benefit of the commuters, especially for students and the labor force traversing the EDSA route.

“Malaking tulong at ginhawa po ang Libreng Sakay sa bulsa ng mga commuter, lalo na para sa mga estudyante at mga kabilang sa labor force.”

Magiging malaking tulong din po ito sa kabuhayan ng mga driver ng EDSA Busway na hanggang ngayon ay bumabangon mula sa epekto ng pandemya, at apektado sa patuloy na pagtaas ng presyo ng gasolina.”

Secretary Amenah F. Pangandaman

2023 BUDGET SUBMITTED TO CONGRESS

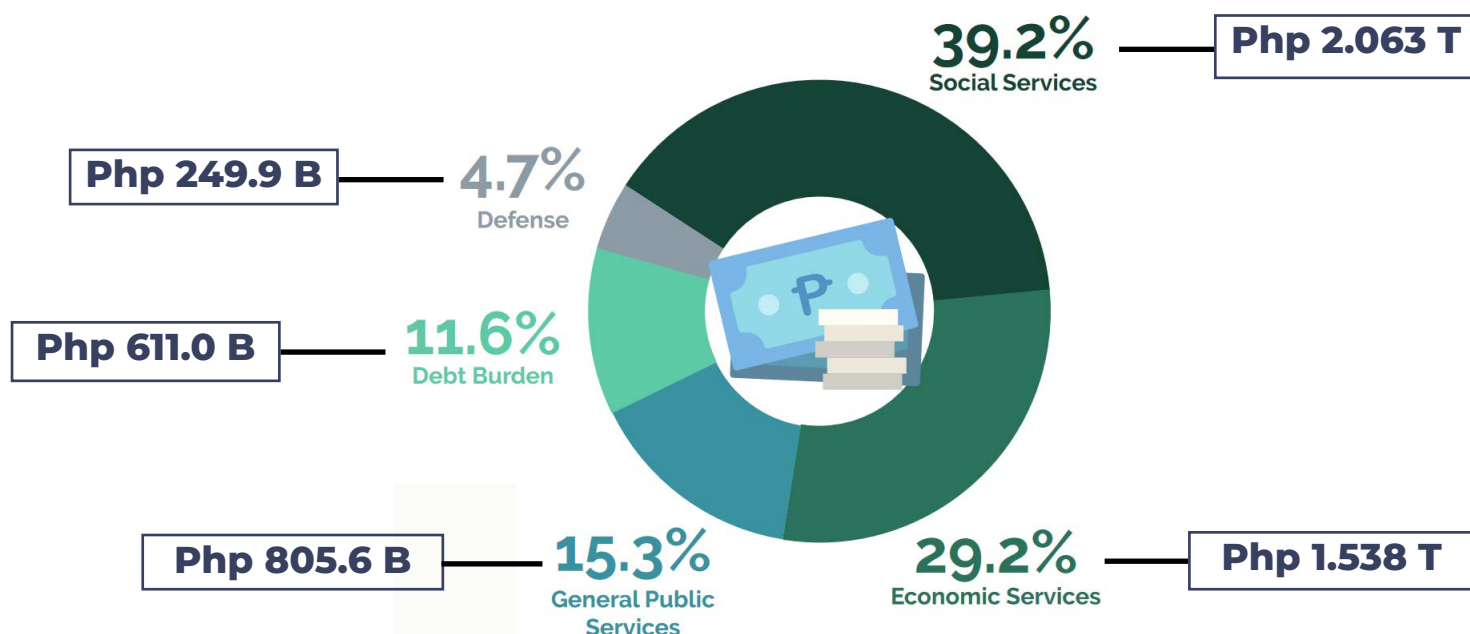
President Ferdinand Marcos, Jr., through the DBM, has submitted to the Congress on August 22, 2022 the Proposed Budget for Fiscal Year 2023. According to Secretary Pangandaman, the submitted budget is “a proactive budget felt by the people with education, infrastructure, health, agriculture, and social safety nets as priorities.”

The administration’s economic team also pointed out that the goal of the Marcos Administration is to achieve a 6.5-8.0 percent real Gross Domestic Product (GDP) growth annually between 2023 to 2028 in order to attain a single-digit (9.0) poverty rate by 2028.

Secretary Pangandaman emphasized the need to support the identified priority sectors, consistent with the 8-point Socio-Economic Agenda of the Marcos Administration, and to sustain the country’s growth momentum to make the economy inclusive and robust in 2023.

The House of Representatives approved the proposed Budget as House Bill No. 4488, or the General Appropriations Bill, on September 28, 2022 after its third reading, the same day the President certified the proposal as urgent.

The **2023 National Expenditure Program** stands at **Php 5.268 Trillion**, 4.9 percent higher than the 2022 Budget.



DBM CONCLUDES BATCH 4 OF RPGIAM TRAINING

The Systems and Productivity Improvement Bureau (SPIB) and the Advocacy, Communications and Training Service (ACTS) conducted capacity building trainings on the Revised Philippine Government Internal Audit Manual (RPGIAM) from July to August 2022.

In attendance were 59 internal auditors from 17 different departments, agencies, other executive offices, and government-owned and/or controlled corporations.

The training aims to build the auditors' capabilities in the operationalization of their internal audit (IA) functions based on the RPGIAM. Particularly, the training focused on the foundational skills on IA, such as principles and concepts of internal control (IC) and IA, scope and process of IA, and the conduct of compliance audit.

The training is composed of five (5) training modules delivered in 10 technical sessions, with two additional sessions for the technical run and closing ceremony. One of the new additions in the training is the Preparation of Statement of Assets, Liabilities, and Net Worth, discussed by Deputy Executive Secretary for IA Ricojudge Janvier M. Echiverri from the Office of the President. Also joining him as the subject-matter expert (SME) was Vice Chairperson and Executive Officer (VCEO) Alberto A. Bernardo of the National Police Commission.

Capping off the event, VCEO Bernardo stressed to the participants that "audit is not just a livelihood, it is more of a vocation... it is not just being a profession, but being a specialist. [Hence], we are supposed to be the best in what we do and do what we do best."

Then SPIB Director Maria Paula B. Domingo also shared this reminder: "Remember that your role is not about fault-finding, neither investigative, nor punitive. You are given a crucial role in assisting your principals in the installation, implementation, and monitoring of a sound internal control system, through the conduct of a separate evaluation of the adequacy and effectiveness of management operations and controls of the agency. Hence, with your enthusiasm to deepen your understanding of internal controls and internal audit, we look forward to the successful conduct of internal audit within your organization."



DBM ADRS EXPANDED TO RELEASE MORE DOCUMENTS IN DIGITAL FORMAT

After the institutionalization of the Action Document Releasing System (ADRS) through DBM Circular Letter No. 2022-8, the system has been expanded to release more forms and documents in digital format.

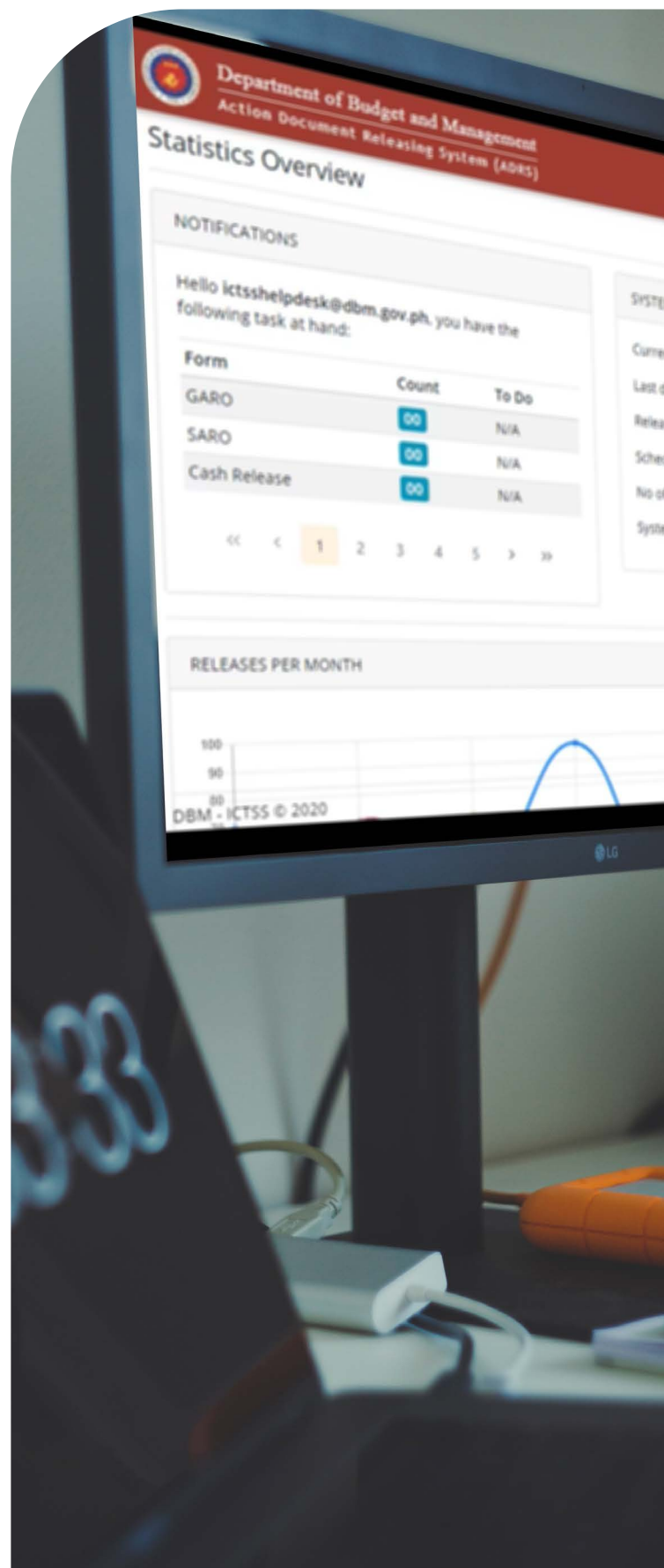
DBM Circular Letters No. 2022-9, 2022-10, and 2022-11 were subsequently released in August 2022. The said circulars detailed the online releases of the following forms:

- NCA;
- Forward Obligation Authority;
- Multi-Year Contractual Authority;
- Cash Disbursement Ceiling;
- Non-Cash Availment Authority; and
- Notice of Organization, Staffing, and Compensation Action.

This comes after the SARO and Advice of Notice of Cash Allocation Issued (ANCAI) were the first to be released via the ADRS.

Likewise, with the full implementation of the DBM ADRS, printing of the said forms and documents has been discontinued, and will thus be released online and in real-time via the said system. Digital signatures are affixed into the documents with the use of the Philippine National Public Key Infrastructure of the Department of Information and Communications Technology.

Prior to the release of Circular Letter No. 2022-10, rollout and full implementation of the ADRS have covered 38 departments and 363 agencies that have completed the ADRS trainings. “Kamustahan Sessions” will be done quarterly to elicit feedback from the users on the usage of the system.



DBM LAUNCHES “USAPANG BUDGET” FACEBOOK PAGE



The DBM officially launched the “Usapang Budget” Facebook Page in August. The page aims to connect with and relate budget concerns in a less technical and more layman approach to ordinary Filipinos.

Usapang Budget features updates on the plans, programs, activities and projects of the administration in a manner that is easily understood by the public.

Secretary Pangandaman highlighted that the Page will also be the platform for DBM’s latest initiative with the same name, a livestream program discussing budgetary issues as part of the initiative for openness and transparency in governance.

As of September 2022, the page has garnered over 7,000 likes and more than 10,000 followers since its launch.



FLEXIBLE WORK ARRANGEMENTS ADOPTED FOR JO AND COS WORKERS IN THE GOVERNMENT

The Commission on Audit (COA)-DBM Joint Circular No. 1, s. 2022 was signed by COA Chairperson Jose C. Calida and DBM Secretary Amenah F. Pangandaman, and issued on September 13, 2022.

The Joint Circular comes after the Civil Service Commission (CSC) released Memorandum Circular No. 6, s. 2022 institutionalizing flexible work arrangements for civil servants. In the same vein, the COA-DBM Joint Circular authorizes all government agencies to develop policies on the adoption or implementation of flexible work arrangements, ensure efficient and effective public services, and ensure the protection of government workers' health and safety, in view of circumstances brought about by calamities, disasters and other similar situations.

The circular covers all Job Order (JO) and Contract-of-Service (COS) workers directly engaging with departments, offices, bureaus and agencies in the National Government, including Constitutional Offices, SUCs, GOCCs, LWDs, and LGUs. Allowed flexible working arrangements include:

- 1) Skeletal workforce;
- 2) Flexiplace;
- 3) Flexitime;
- 4) Compressed Workweek;
- 5) Work Shifting; and/or
- 6) Combination of Flexible Work Arrangements.

Agencies are also responsible for providing the JOs and COS workers with support mechanisms, such as appropriate personal protective equipment for frontliners, health/psychosocial interventions, safe and conducive workplace, and appropriate technologies and office supplies as needed to perform day-to-day tasks.

The Joint Circular took effect immediately.



DBM PUBLIC FINANCIAL MANAGEMENT COMPETENCY PROGRAM (PFMCP) IN BARMM A SUCCESS

The DBM, through the Capacity Development Division (CDD) of the ACTS, in partnership with the Ministry of Finance, and Budget and Management (MFBM) of Bangsamoro Autonomous Region in the Muslim Mindanao (BARMM) and the Japan International Cooperation Agency (JICA), successfully conducted face-to-face sessions of the PFMCP in Mindanao for the first time ever.

The ACTS-CDD has successfully implemented the Foundation Track and the Budgeting and the Performance Track (BPT) 1: Budgeting Overview of the PFMCP for the Middle Managers from September 12-16, 2022. The remaining BP Tracks 3-6 of the PFMCP will run on select dates from November to December 2022.

The Foundation Track covers understanding the PFM cycle, effective collaboration, fundamentals of internal control, and basic budgeting, among others. On the other hand, the BPT tackles basic economic and fiscal concepts on budgeting, fiscal planning, and other budgeting concepts.



A total of 150 BARMM PFM practitioners, all identified as technical personnel and middle managers, attended the program. This was not the first PFMCP held in the BARMM. In 2020, the DBM also organized the PFMCP for BARMM executives.

The general objective of the PFMCP was to capacitate Public Financial Management (PFM) Practitioners of the BARMM Ministries and Offices with the goal of strengthening transparency, accountability and integrity of their PFM system.

Gracing the closing ceremonies was DBM Secretary Amenah F. Pangandaman as she visited BARMM for the first time since being appointed as Budget Secretary. In her keynote speech during the closing ceremonies, she stated **“It is my greatest hope that, with this undertaking, BARMM will exhibit a robust economy pushed by strong fiscal measures crafted by principled and competent PFM workers.”**

“I hope that BARMM can be used as an admirable benchmark by other Philippine Government institutions and Foreign Governments alike,” she added.

Secretary Pangandaman also advised the BARMM technical staff on the significance of gaining competencies: “Competencies are not only skills and knowledge. It is not being the best budget analyst, accountant, procurement officer, internal auditor, or planning officer. It demands the painstaking process of changing your core, your virtue, your attitude, and your self-image.”

The Bangsamoro Dream

Minister Ubaida Pacasem of the BARMM-MFBM stated that they are “blessed with partners who are experienced yet respectful of our customs and traditions, partners who are experts yet magnanimous to recognize that we are only starting and will be prone to errors” as they gradually realize the commitment to formulate and implement a dynamic fiscal policy and sound resource mobilization.

Meanwhile, Senior Minister Abdulraof Macacua also expressed his support for the participating middle managers in the program. “In Islam, learning is a lifelong process. It is an obligation for Muslims to acquire knowledge. *Maswerte kayo kasi mayroong DBM at JICA na bukas ang loob na tulungan tayo ngayong transition period.* When you go back to your respective offices, share the knowledge you have acquired here to your co-workers. In this way, you also help ensure that we have, not only qualified workers but also competent ones. By doing this, you will earn more *sadaqah* (voluntary charity).”

The PFMCP is huge step for the MFBM, and is a catalyst in paving the way to help the Bangsamoro achieve their dreams. “The Bangsamoro dreams of a society that is united, enlightened, self-governing, peaceful, just, morally upright, and progressive. The dream was not pulled out of thin air as this was made in blood, sweat, and perseverance of the Bangsamoro people and was paid by so many lives,” concluded Minister Pacasem.

“You have dedicated your time and energy to create a consciousness of changing your core beliefs and strip yourselves of all practices that are abrasive to public interest.”

Secretary Amenah F. Pangandaman

DBM SECRETARY PANGANDAMAN APPOINTMENT CONFIRMED BY COMMISSION ON APPOINTMENTS

The DBM Secretary breezed through the Commission on Appointments (CA) with no objections in the Committee Meeting and Plenary Session on September 28, 2022.

Chaired by Senate President Juan Miguel Zubiri, the CA confirmed the appointment of Secretary Pangandaman as the country's Budget Chief. The Committee members expressed their full support for the appointment of the Secretary and vouched for her integrity.

"I fully support the nomination of my dear, dear friend, Secretary Mina Pangandaman, my fellow Mindanaoan and my fellow public servant," Senator Zubiri said.

"Her father is from Marawi City. Her mother is from Tarlac City. Her great grandparents are from the royal houses of Maranao royal houses of Marawi City. She's the only Muslim member of cabinet. I know the integrity of this lady, and she is the easiest to talk to, my dear colleagues. *Alam ko, may isang salita po si Secretary Mina,*" Senator Zubiri added.

"She is the second to the youngest person in the cabinet who is a woman, who worked extensively in the Senate. She knows no hours. *Maski hating gabi, Sabado at Linggo, nagtatrabaho.* Never *ko pang napagalitan,* never *ko nahingan ng pagkukulang.* She has utmost integrity – commitment to public service. I am very proud that this young lady is now a member of the Cabinet. *Hindi umaangal sa akin. Masipag, magaling, at maaasahan.* I am speaking from experience," Senator Loren Legarda expressed.



Senator Grace Poe said, “Sec. Mina is the lone rose among the thorns among the pool of economic managers. Her educational background prepared her for the role. Sec. Mina has been trained by SEJA, Sen. Loren Legarda, and Sec. Ben Diokno. A staffer who rose from the ranks, she has more than two decades of budget experience in Senate. We need someone with acquired knowledge in the legislative and executive, and expertise in the budget process like her at the helm of the DBM.”

“I wholeheartedly place my full trust and confidence in Secretary Pangandaman as she is highly-qualified to perform the duties and responsibilities that accompany her post. With her impressive track record, extensive experience, and expertise in the economic sector, she will definitely bring meaningful change and tangible results that will greatly benefit the department,” Senator Christopher “Bong” Go said.

Senator Alan Peter Cayetano likewise expressed his full support for confirming Secretary Pangandaman’s appointment, “On the part of the minority, may I just repeat the line I said in the hearing that she’s a woman in a predominantly male cabinet. She is a Muslim in a predominantly Catholic and Christian

nation. She’s no stranger in being a minority. She doesn’t only have a strong voice. Now she has a big voice sa budget, so we are hoping that many of those who are voiceless and minority in the Philippines will have a voice in the Cabinet. So in behalf of the minority, we have no objection, and we wish her well.”

Secretary Pangandaman is the second female to hold the position as DBM’s head after the late Emilia Boncodin held the seat in 1998 and in 2001 to 2005.

Prior to her appointment as the Budget chief, Secretary Pangandaman served as Assistant Governor of the Bangko Sentral ng Pilipinas championing financial inclusion and digital transformation. She also served as DBM Assistant Secretary and then Undersecretary during the term of former Budget Secretary Benjamin Diokno. Before her stint in the DBM, she spent her formative years as a public servant as the Chief-of-Staff to Former Senate President Edgardo Angara and Committee on Finance Chairperson Loren Legarda.

Undersecretary Tina Rose Marie L. Canda, in her turnover speech last July 6, 2022, said, “She has always been the wind beneath the wings of her boss and she knows that a good adjutant always makes her boss look good. And now it’s her time. It’s her time to fly.”

“I believe in the vision of this administration for inclusive and sustainable growth, and I am determined to do my best, along with the other economic managers, to achieve our dream for this country of eradicating poverty and achieving upper-middle income status; to achieve the dream of a better Philippines for all, including and especially for those in the farthest areas who are often neglected, like Mindanao, where I am from.”

DBM Secretary Amenah F. Pangandaman

ISSUANCES

Department Order

- ◆ **D.O. No. 16, s. 2022** - Onboarding New Employee: Develop, Build, Mentor (ONE DBM)
- ◆ **D.O. No. 17, s. 2022** - Designating the DBM Energy Efficiency and Conservation (EEC) Officer and Creating a DBM EEC Committee to Develop and Implement EEC Policies in the DBM
- ◆ **D.O. No. 21, s. 2022** - Job Rotation Program
- ◆ **D.O. No. 22, s. 2022** - Assumption of Functions Relative to the Department's Anti-Graft and Corruption Efforts in view of the Abolition of the Presidential Anti-Corruption Commission
- ◆ **D.O. No. 28, s. 2022** - Adoption of the DBM Public Service Continuity Plan (PSCP)

Local Budget Circular

- ◆ **L.B.C. No. 142** - Amendment to Local Budget Circular (LBC) No. 142 Dated January 24, 2022, as Amended by LBC No. 142-A Dated April 28, 2022, Entitled, "Guidelines on the Release and Utilization of the Local Government Support Fund-Financial Assistance to Local Government Units and Support for Capital Outlays and Social Programs under the FY 2022 General Appropriations Act, Republic Act No. 11639"

Budget Execution Advisory

- ◆ **B.E.A. No. 9, s. 2022** - Processing of Budget Requests Chargeable against FY 2022 Miscellaneous Personnel Benefits Fund (MPBF)
- ◆ **B.E.A. No. 10, s. 2022** - Conduct of Agency Performance Review Covering the First Semester (January to June) FY 2022

Joint Circular

- ◆ **DBM-DFA J.C. No. 2022-1** - Policies and Guidelines on the Grant of Education Allowance for Dependents of Officers and Employees of the DFA for FY 2021 and Years Thereafter

Information Management Division
- Advocacy, Communications and
Training Service
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