



REPUBLIC OF THE PHILIPPINES

Department of Budget and Management

Malacañang, Manila



CIRCULAR LETTER

No. 2008 - 3

March 31, 2008

TO : All Provincial Governors, City/Municipal Mayors, Provincial/City/Municipal Budget Officers and Human Resource Management Officers, and Regional Directors of the Department of Budget and Management

SUBJECT : Personal Services (PS) Expenditure Information from Local Government Units (LGUs)

1.0 Rationale

The Department of Budget and Management (DBM), as the lead agency in public expenditure management, recognizes the need for a continuing review and rationalization of personal services expenditure policies and rules not only for national government, but also for local government implementation, towards a more efficient and effective management of budgetary resources. The review can only be substantive, however, if there is a complete and updated database on PS expenditures. Hence, LGUs are requested to provide the needed information by accomplishing the attached Local Government Personal Services Expenditure Information Sheet.

2.0 Purpose

- 2.1 To establish a comprehensive Personal Services database.
- 2.2 To have an empirical basis in updating and improving PS policies, rules and regulations with the end-in-view of assisting LGUs in undertaking a more rational distribution of the budget by allocating reasonable amounts for PS at the same time providing for basic services and development projects.

3.0 Coverage

This circular letter covers LGUs at the provincial, city and municipal levels.

4.0 General Instructions

- 4.1 The Local Government Personal Services Expenditure (LGPSE) Information Sheet shall be accomplished jointly by the Provincial/City/Municipal Budget Officer and Human Resource Management Officer.
- 4.2 The Local Chief Executive is urged to confirm the reliability of the data in the LGPSE Information Sheet and to affix his/her signature therein.
- 4.3 A hard copy of the duly accomplished LGPSE Information Sheet together with a soft copy in diskette/compact disc form shall be submitted to the DBM Regional Offices concerned on or before April 15, 2008.
- 4.4 For those LGUs with internet connection, the accomplished LGPSE Information Sheet may be submitted to the DBM Regional Offices concerned via e-mail. E-mail addresses of DBM Regional Directors are available at the DBM website, www.dbm.gov.ph.

5.0 Responsibilities

5.1 DBM Regional Offices (ROs)

- 5.1.1 Distribute copies of this Circular Letter and LGPSE information sheet to the LGUs within their respective coverage.
- 5.1.2 Gather the accomplished information sheets from the LGUs through the Local Budget Officers (LBOs).
- 5.1.3 Collate/Summarize results of the accomplished information sheets from LGUs.
- 5.1.4 Prepare general observations, comments and recommendations based on summary results collected using a guide to be issued to the DBM ROs.
- 5.1.5 Forward the duly accomplished information sheets and other pertinent documents to the Regional Operations Coordination Service, DBM on or before April 30, 2008.

5.2 Province/City/Municipality

- 5.2.1 Provide assistance to the DBM ROs, through the Local Budget Officers and the Human Resource Management Officers, in the dissemination and retrieval of the information sheet.
- 5.2.2 Duly accomplish the information sheet and submit additional information as needed.
- 5.2.3 Submit the accomplished information sheet to the DBM RO concerned on or before April 15, 2008.

6.0 For the guidance/compliance of all concerned.


ROLANDO G. ANDAYA, JR.
Secretary

Local Government Personal Services (PS) Expenditure Information Sheet

City, Municipality: _____
 Province: _____
 Region: _____
Income Classification For the Year:
 FY 2006 _____
 FY 2007 _____
 FY 2008 _____

Salary Schedule (SS) Adopted (Check appropriate box.):

FY 2006		FY 2007		FY 2008	
<input type="checkbox"/>	SS for the income class	<input type="checkbox"/>	SS for the income class	<input type="checkbox"/>	SS for the income class
<input type="checkbox"/>	SS for the higher class, _____ class	<input type="checkbox"/>	SS for the higher class, _____ class	<input type="checkbox"/>	SS for the higher class, _____ class

Particulars	Amounts		Amounts/ Appropriation in FY 2008 Annual Budget
	FY 2006	FY 2007	
	(In thousand pesos)		
PART I. GENERAL FUND			
A. Receipts/Income			
a. Receipts/Income From Regular Sources			
1. Internal Revenue Allotment	p	p	p
2. Tax Revenues (Check appropriate box/es.)			
<input type="checkbox"/> Real Property Tax			
<input type="checkbox"/> Business Tax			
<input type="checkbox"/> Other Taxes (Identify.)			

3. Non-Tax Revenues (Check appropriate box/es.)			
<input type="checkbox"/> Regulatory Fees			
<input type="checkbox"/> Service/User Charges			
<input type="checkbox"/> Toll Fees			
<input type="checkbox"/> Other Receipts (Identify.)			

Sub-Total, Receipts/Income From Regular Sources	p	p	p
b. Other Receipts/Income (Identify.)			

Sub-Total, Other Receipts/ Income	p	p	p
Total Receipts/Income	p	p	p
B. Applicable PS Limitation (Indicate amount in the appropriate box.)			
45% of the total annual income from regular sources realized in the next preceding fiscal year (in the case of 1st to 3rd class provinces, cities and municipalities)	p	p	p
55% of the total annual income from regular sources realized in the next preceding fiscal year (in the case of 4th to 6th class provinces, cities and municipalities)	p	p	p

Particulars	Amounts		Amounts/ Appropriation in FY 2008 Annual Budget
	FY 2006	FY 2007	
	(In thousand pesos)		
C. PS Expenditure			
1. Salaries and Wages			
(Exclude wages for positions filled on job order and on "pakyaw" bases, the labor component of projects.)			
	Number of Positions		
	FY 2006	FY 2007	FY 2008
Regular Positions			
Filled Positions			
Unfilled Positions			
Sub-Total, Regular Positions			
Of the Regular Positions:			
Public Health Workers			
Public Social Workers			
Part-Time Positions			
Casual Positions			
Contractual Positions			
Sub-Total, Part-Time, Casual and Contractual Positions			
Of the Part-Time, Casual and Contractual Positions:			
Public Health Workers			
Public Social Workers			
Sub-Total, Salaries and Wages			
2. Other Compensation (For regular, part-time, casual and contractual positions)			
Step Increments Due to Length of Service			
Personnel Economic Relief Allowance			
Additional Compensation			
Representation Allowance			
Transportation Allowance			
Clothing Allowance			
Subsistence Allowance			
Laundry Allowance			
Longevity Pay			
Hazard Pay (Magna Carta benefit)			
Honoraria			
Overtime Pay			
Night Shift Differential Pay			
Year-End Bonus			
Cash Gift			
Productivity Incentive Benefit			
Sub-Total, Other Compensation			
3. Personnel Benefits/Contributions (For regular, part-time, casual and contractual positions)			
Retirement and Life Insurance Premiums			
PAG-IBIG Contributions			
Health Insurance Contributions			
Employee Compensation Insurance Premiums			
Sub-Total, Personnel Benefits/Contributions			

p	p	p
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p	p	p
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p	p	p
---	---	---

p	p	p
---	---	---

p	p	p
---	---	---

p	p	p
---	---	---

p	p	p
---	---	---

p	p	p
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Particulars	Amounts		Amounts/ Appropriation in FY 2008
	FY 2006	FY 2007	Annual Budget
	(In thousand pesos)		
4. Other Personnel Benefits (For regular, part-time, casual and contractual positions)			
Retirement Benefits	P	P	P
Terminal Leave Benefits			
Others (Identify.)			
<u>Monetization of Leave Credits</u>			
<u>Loyalty Pay</u>			
<u>Anniversary Bonus</u>			

Sub-Total, Other Personnel Benefits	P	P	P
Total PS Expenditure	P	P	P
Amount of Excess/(Deficiency) Over Allowable PS Level	P	P	P
Percentage of Excess/(Deficiency) Over Allowable PS Level			
Explanation for Such Excess/(Deficiency) (Use separate sheet as necessary.)			

		%	%
		%	%
D. Maintenance and Other Operating Expenses (MOOE)			
	Number of Hires		
	FY 2006	FY 2007	FY 2008
Labor Cost			
Under Job Order			
Consultancy Services			
Other MOOE			
Total MOOE	P	P	P
	P	P	P
	P	P	P
	P	P	P
E. Expenditure for the Year			
Total PS	P	P	P
Total MOOE	P	P	P
Total Capital Outlay (CO)	P	P	P
Total Expenditure for the Year	P	P	P
	P	P	P

Particulars	Amounts		Amounts/ Appropriation in FY 2008 Annual Budget
	FY 2006	FY 2007	
PART II. PUBLIC UTILITIES AND ECONOMIC ENTERPRISES (Consolidated Summary)			
(In thousand pesos)			
A. Receipts and Subsidies			
a. Receipts From Public Utilities Operated by the LGU (Check appropriate box/es.)			
<input type="checkbox"/> Water and sewerage services	P	P	P
<input type="checkbox"/> Garbage collection and disposal			
<input type="checkbox"/> Telephone system			
<input type="checkbox"/> Electric and power services			
<input type="checkbox"/> Public transport and terminal stations services			
<input type="checkbox"/> Others			
b. Receipts from economic enterprises operated by the LGU (Check appropriate box/es.)			
<input type="checkbox"/> Public markets or shopping malls			
<input type="checkbox"/> Slaughter houses			
<input type="checkbox"/> Cemeteries			
<input type="checkbox"/> Sports, cultural and recreation centers			
<input type="checkbox"/> Parking lots			
<input type="checkbox"/> Ice plants			
<input type="checkbox"/> Hospitals			
<input type="checkbox"/> Special and tertiary schools			
<input type="checkbox"/> Hotels			
<input type="checkbox"/> Others			
Sub-Total, Receipts (a + b)	P	P	P
c. Subsidies from the General Fund (if any)	P	P	P
Total Receipts and Subsidies	P	P	P
B. Expenditure for the Year			
PS (Include salaries/wages, allowances and other personnel benefits.)			
	Number of Positions		
	FY 2006	FY 2007	FY 2008
Regular Positions			
Part-Time Positions			
Casual Positions			
Contractual Positions			
Sub-Total			
Total PS	P	P	P
MOOE			
	Number of Positions		
	FY 2006	FY 2007	FY 2008
Labor Cost			
Under Job Order			
Consultancy Services			
Other MOOE			
Total MOOE	P	P	P
Total CO	P	P	P
Total Expenditure for the Year	P	P	P

Particulars	Amounts		Amounts/ Appropriation in FY 2008
	FY 2006	FY 2007	Annual Budget
	(In thousand pesos)		
C. Gross Profits/Losses (Total Receipts and Subsidies Less Total Expenditures)	P	P	P
Less:			
Cost of Improvement, Repair and Other Related Expenses (CIRO)			
Return of Advances or Loans (RAL)			
Sub-Total, CIRO Plus RAL			
Net Profits/Losses (Total Profits Less Total Deductions)	P	P	P
Details of each public utility or economic enterprise following the foregoing format shall be provided in separate sheets.			

Notes:

1. Regular positions refer to Itemized positions in a Plantilla of Personnel.
2. Casual positions are non-Itemized positions which undertake essential and necessary services for a short duration of time; which are seasonal and intermittent in nature, the length of which depends on the needs of the service; and for which an appointment is issued. Re-employment is not certain. Such positions are funded under personal services appropriations.
3. Contractual positions are non-Itemized position which undertake specific works or projects requiring special or technical skills not available in the hiring agency, within a period not exceeding one (1) year, in accordance with specific contracts. The hiring creates employee-employer relationships between the hires and the hiring agency. Such positions are funded under personal services appropriations.
4. The additional allowances and other benefits authorized to be granted to certain national government officials and employees stationed in or assigned to local government units pursuant to the pertinent provisions of RA No. 7160, "Local Government Code of 1991," are charged against the appropriation for maintenance and other operating expenses.
5. Reference shall be made to LBC No. 75, "Guidelines for Personal Services (PS) Limitation," with regards to the authorized allowances/benefits for LGU employees and to the PS items and activities mandated by law for which the PS limitation/cao is waived.

General Instructions:

1. This Information Sheet shall be accomplished by indicating the amounts in thousand pesos in the appropriate blanks provided and by indicating the number by kind of position. The accomplishment of the Information Sheet shall be the joint responsibility of the Provincial/City/Municipal Budget Officer and Human Resource Management Officer.
2. The Local Chief Executive Officer is urged to confirm the reliability of the data in the Information Sheet and to affix his/her signature therein.
3. Two (2) hard copies of the accomplished Information Sheet, including the original copy, shall be submitted to the DBM Regional Offices concerned not later than March 31, 2008.
4. The accomplished Information Sheet may be submitted to the DBM Regional Offices concerned via e-mail. E-mail addresses of the DBM Regional Directors are available at the DBM website, <http://www.dbm.gov.ph>

Summary

Particulars	Amounts		Amounts/ Appropriation in
	FY 2006	FY 2007	
PART I. GENERAL FUND			
Total Receipts/Income	P	P	P
Total Personal Services (PS)	P	P	P
Total Maintenance and Other Operating Expenses (MOOE)	P	P	P
Total Capital Outlay (CO)	P	P	P
Total Expenditure for the Year	P	P	P
PART II. PUBLIC UTILITIES AND ECONOMIC ENTERPRISES (Consolidated Summary)			
Total Receipts and Subsidies	P	P	P
Total PS	P	P	P
Total MOOE	P	P	P
Total CO	P	P	P
Total Expenditure for the Year	P	P	P
Gross Profits/Losses	P	P	P
Total Deductions	P	P	P
Net Profits/Losses	P	P	P
PART III. SPECIAL EDUCATION FUND (SEF)			
SEF for the Year	P	P	P
Total PS	P	P	P
Total MOOE	P	P	P
Total CO	P	P	P
Total Expenditure for the Year	P	P	P