



REPUBLIC OF THE PHILIPPINES

Department of Budget and Management

Malacañang, Manila

LOCAL BUDGET CIRCULAR

No. 94
February 10, 2010

FOR : All Local Government Units, Local Budget Officers, Heads of Local Accounting Units and All Others Concerned

SUBJECT : GUIDELINES ON THE RELEASE AND UTILIZATION OF FUNDS CHARGEABLE AGAINST THE FINANCIAL SUBSIDY TO LOCAL GOVERNMENT UNITS FOR FY 2010 AND YEARS THEREAFTER

1.0 PURPOSE

- 1.1 To prescribe guidelines on the release and utilization of the Financial Subsidy to Local Government Units (LGUs) under Republic Act (RA) No. 9970, General Appropriations Act for FY 2010 and years thereafter.

2.0 GUIDELINES

The following policy guidelines shall be observed in the release and utilization of funds from the Financial Subsidy to LGUs:

- 2.1 The amount shall be used to fund priority programs and projects of LGUs.
- 2.2 The request shall be supported by a list of projects to be submitted by the proponent.
- 2.3 The amount shall be released as financial assistance to LGUs and treated as a trust fund for the purpose/s identified by the proponent.
- 2.4 It shall not be used for the payment of personal services expenditures (i.e. payment of salaries including honoraria, allowances, bonus and similar forms of compensation).

3.0 ACCOUNTABILITY

The implementing agency shall be accountable for the implementation of the program/s and/or project/s subject to existing budgeting, accounting, auditing rules and regulations.

4.0 EFFECTIVITY

This Circular shall take effect immediately.


ROLANDO G. ANDAYA, JR.
Secretary