



REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF BUDGET AND MANAGEMENT  
MALACANANG, MANILA



**NATIONAL BUDGET MEMORANDUM**

**No. 111**

May 9, 2011

**F O R : All Heads of Departments, Agencies, Bureaus, Offices, Commissions, State Universities and Colleges, Other Instrumentalities of the National Government and all Others Concerned**

**SUBJECT : REITERATION OF POLICY GUIDELINES IN THE PREPARATION OF THE FY 2012 BUDGET PROPOSALS**

- 1.0 In line with the principle of transparency and accountability in government budgeting and in order to gauge past and current performance of the departments/agencies to serve as a benchmark for the budget year's recommendation, the pertinent guidelines under NBM No. 107 dated December 30, 2010 are hereby reiterated.
- 2.0 Agency budget proposals shall present the annual physical targets and the corresponding financial requirements of their key programs/projects and sub-programs/projects. Using the Locally Funded Projects (LFPs) Profile and Foreign Assisted Projects (FAPs) Profile, information requiring the geographical distribution i.e., by region/province and component cost should be properly disclosed. Factors which tend to influence/affect target outputs should be properly identified. A relevant example is the case of DA irrigation projects where potential areas for irrigation, service areas generated, rehabilitated and restored and underdeveloped service areas, among others should be shown by geographical location.
  - 2.1 In cases of major programs implemented by departments/agencies, the same data requirements as that for LFPs/FAPs should apply.
  - 2.2 For greater data appreciation, visual information such as topographic maps and location plans are required.
- 3.0 In the case of an inter-agency program/project, a **detailed implementation plan** reflecting the participation/contribution of the individual department/agency involved in the said program/project shall be submitted by the lead department/agency.
  - 3.1 Prior to the presentation to the President of the final implementation plan of an inter-agency program/project by the departments/agencies concerned, separate Technical Budget Hearings (TBHs) shall be conducted by DBM to evaluate the submitted work plan.
  - 3.2 This will ensure that requirements and implementation schedules are synchronized and complementary with each other. Thus, duplication, overlaps and/or gaps among implementing agencies are avoided.

4.0 Submission of the breakdown of the following specific objects of expenditure as well as the assumptions used by the agency in coming up with their proposals on the same is emphasized:

4.1 Personal Services

4.1.1 For civilian permanent positions, the PSIPOP pursuant to NBC No. 527 dated December 3, 2010 and for military and uniformed personnel, the Roster of Personnel pursuant to E.O. No. 31 dated March 30, 2011.

4.1.2 For non-permanent positions, Budget Preparation Form 205 – Staffing Summary of Non-Permanent Positions

4.2 MOOE

- Traveling Expenses – breakdown of local or foreign travels;
- Communication Expenses - Postage and Deliveries, Telephone-landline, Telephone-mobile, Internet, and Cable, Satellite, Telegraph and Radio;
- Utilities - Water, Power, and Cooking Gas;
- Repairs and Maintenance - Motor Vehicles (including Inventory of Motor Vehicles), Buildings and Structures, Office Equipment, etc.
- Supplies and Materials - Office Supplies, Gasoline, Oil and Lubricants Expenses, Drugs and Medicines, etc.
- Professional Services - Janitorial, Security, Consultancy, General Services, and Other Professional Services.

Included under the Other Professional Services are those hired individually on job order basis, details of which shall be provided using the attached BP Form 205-A.


5.0 Agencies' budget proposals already submitted or for submission to DBM shall not be considered complete unless the specific documentary requirements reiterated under this NBM are submitted.

6.0 Departments/agencies are reminded to ensure that their major programs and projects are aligned with any of the five (5) priority areas of spending by the government as provided under Circular Letter No. 2011-4 dated April 15, 2011, to wit:

- Anti-Corruption/Transparent, Accountable and Participatory Governance;
- Poverty Reduction and Empowerment of the Poor and Vulnerable;
- Rapid, Inclusive and Sustained Economic Growth;
- Just and Lasting Peace and the Rule of Law; and
- Integrity of the Environment and Climate Change Mitigation and Adaptation.

7.0 For guidance and strict compliance of all concerned.



  
**FLORENCIO B. ABAD**  
Secretary

**BP 205 A: DETAILS OF JOB ORDER HIRES**  
for Fiscal Year 2012

<b>DEPARTMENT:</b>		<b>Bureau/Agency:</b>				
<b>NO. OF HIRES</b>  (1)	<b>EQUIVALENT POSITION TITLE and SALARY GRADE</b>  (2)	<b>COST PER PERSON</b>		<b>PERIOD COVERED BY CONTRACT</b>		<b>TOTAL COST</b>  (7)
		<b>Daily</b> (3)	<b>Monthly</b> (4)	<b>FROM</b> (5)	<b>TO</b> (6)	
<b>CERTIFIED CORRECT BY:</b>		<b>APPROVED BY:</b>		<b>DATE:</b>		
_____		_____		_____		
Human Resource Management Officer		Head of Agency				