



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
GENERAL SOLANO STREET, SAN MIGUEL, MANILA

CIRCULAR LETTER

No. 2015 - 1

Date: January 9, 2015

FOR : The Heads, Commission on Audit (COA), Office of the Ombudsman, Department of Justice, COA Auditors, and all Others Concerned

SUBJECT : Clarification on the Procedure for the Release of Priority Development Assistance Fund (PDAF) in FYs 2005 and years Thereafter

1. This Circular is being issued to clarify the application of NBC No. 476¹ dated September 20, 2001 to PDAF releases for FY 2005 and years thereafter in view of the related disallowances and cases filed against DBM officials and employees.
2. In this regard, this Department hereby clarifies that beginning FY 2005 and in the succeeding fiscal years, all PDAF allocation were directly released to implementing agencies pursuant to the express provisions of Special Provision 1 of the FY 2005 General Appropriations Act (GAA) which already included a list of programs, projects, and implementing agencies (PDAF menu) upon which the requests for release of funds were evaluated as to consistency with the programs, projects and implementing agencies listed in the PDAF menu, to wit:

FY 2005 GAA and FY 2006 reenacted budget

"1. Use and Release of the Fund. The amount appropriated herein shall be used to fund priority programs and projects under the ten point agenda of the national government and shall be released directly to the implementing agencies as indicated hereunder, to wit:

PARTICULARS	PROGRAM PROJECT	IMPLEMENTING AGENCY
A. Education	Purchase of IT Equipment	DepEd/TESDA/ CHED/SUCs/LGUs
	Scholarship	TESDA/CHED/ SUCs/LGUs
B. Health	Assistance to Indigent Patients Confined at the Hospitals under DOH including	DOH/Specialty Hospitals

¹ Guidelines on the Release of Funds Chargeable Against the Priority Assistance Fund for the Second Semester of FY 2001 and Thereafter

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	Specialty Hospitals	
	Assistance to Indigent Patients at the Hospitals Devolved to LGUs and RHUs. Insurance Premium	LGUs Philhealth
C. Livelihood/CIDSS	Small & Medium Enterprise/ Livelihood Comprehensive Integrated Delivery of Social Services	DTI/TLRC/DA/LIVECOR/CDA DSWD
D. Rural Electrification	Barangay/Rural Electrification	DOE/NEA
E. Water Supply	Construction of Water System Installation of Pipes/ Pumps/Tanks	DPWH LGUs
F. Financial Assistance	Specific Programs and Projects to Address the Pro-Poor Programs of Government	LGUs
G. Public Works	Construction/Repair/Rehabilitation of the following: Roads and Bridges/Flood Control/School Buildings/Hospitals/Health Facilities/Public Markets/Multi- Purpose Buildings/Multi-Purpose Pavements	DPWH
H. Irrigation	Construction/Repair/ Rehabilitation of Irrigation Facilities	DA-NIA

PROVIDED, That in the procurement of common-used supplies, the implementing agencies shall adhere to the price list and the rules and regulations to be issued by the Government Procurement Policy Board.

FY 2007 GAA

"1. Use and Release of the Fund. The amount appropriated herein shall be used to fund priority programs and projects under the Ten Point Legacy Agenda of the national government and shall be released directly to the implementing agencies as indicated hereunder, to wit:

PARTICULARS	PROGRAM PROJECT	IMPLEMENTING AGENCY
A. Education	Purchase of IT Equipment Scholarship	DepEd/TESDA/ CHED/SUCs/LGUs TESDA/CHED/ SUCs/LGUs/DAP
B. Health	Assistance to Indigent Patients Confined or Out-Patients In Hospitals Under DOH including Specialty Hospitals Professional Fees shall be covered for payment on a case to case basis upon the recommendation of the Members of the Congress concerned Purchase of Medical Equipment Assistance to Indigent Patients at the Hospitals Devolved to LGUs and RHUs. Insurance Premium	DOH/Specialty Hospitals/UPS-PGH/ WVSU Hospital DOH/Specialty Hospitals/UPS- PGH/ WVSU Hospital LGUs Philhealth
C. Livelihood/CIDSS	Small & Medium Enterprise/ Livelihood Comprehensive Integrated	DTI/TLRC/DA/LIVECOR/CDA /OMA

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	Delivery of Social Services	DSWD
D. Rural Electrification	Barangay/Rural Electrification	DOE/NEA/LGUs
E. Water Supply	Construction of Water System Installation of Pipes/ Pumps/Tanks	DPWH LGUs
	Water Supply Development for Local Water Districts	LWUA
F. Financial Assistance	Specific Programs and Projects to Address the Pro-Poor Programs of Government	LGUs
G. Public Works	Construction/Repair/Rehabilitation of the following: Roads and Bridges/Flood Control/School Building/Hospitals/Health Facilities/Public Markets/Multi-Purpose Buildings/Multi-Purpose Pavements Construction/Repair/Rehabilitation of Academic Buildings	DPWH SUCs
H. Irrigation	Construction/Repair/Rehabilitation of Irrigation Facilities	DA-NIA
I. Peace and Order	Purchase of Vehicles and Firetrucks and Fire-Fighting Equipments Construction/Repair of Police, Jail and Fire Stations	DILG-PNP/BFP/ BJMP DILG-PNP/BFP/ BJMP
J. Housing	Construction of Housing Units for Eligible Beneficiaries	NHA/LGUs
K. Forest Management	Establishment/Rehabilitation/Maintenance and Protection of Forest, Mangrove and Watersheds <u>Upland Agro-Forestry Development Program Specifically for the Planting of Jatropha Curcas L</u>	DENR NRDC-PFC
L. Historical/ Arts and Culture Heritage	<u>Historical Sites/</u>	NHI

PROVIDED, That in the procurement of common-used supplies, the implementing agencies shall adhere to the price list and the rules and regulations to be issued by the Government Procurement Policy Board. PROVIDED, FURTHER, That the amount of Three Hundred Million Pesos (P300,000,000.00) shall be set aside as seed money for the Kalinga Pilipinas Congressional District Housing Program at Five Million Pesos (P5,000,000.00) per congressional district with counterpart funding in the equivalent amount from the allocation of each congressional district. (CONDITIONAL IMPLEMENTATION – President's Veto Message, March 22, 2007, page 1162, R.A. No. 9401)"

FY 2008 GAA

"1. Use and Release of the Fund. The amount appropriated herein shall be used to fund priority programs and projects under the Ten-Point Legacy Agenda of the national government, and shall be released directly to the implementing agencies as indicated hereunder, to wit:

PARTICULARS	PROGRAM PROJECT	IMPLEMENTING AGENCY
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A. Education	Purchase of IT Equipment	DepEd/TESDA/ CHED/SUCs/LGUs/DAP
	Scholarship	TESDA/CHED/ SUCs/LGUs
B. Health	Assistance to Indigent Patients Confined at the Hospitals Under DOH including Specialty Hospitals	DOH/Specialty Hospitals/UPS-PGH/ WVSU Hospital
	Purchase of Medical Equipment Assistance to Indigent Patients at the Hospitals Devolved to LGUs and RHUs Insurance Premium	DOH/Specialty Hospitals/UPS-PGH WVSU Hospital LGUs Philhealth
C. Livelihood/CIDSS	Small & Medium Enterprise/ Livelihood	DTI/TLRC/DA/ LIVECOR/CDA/OMA
	Comprehensive Integrated Delivery of Social Services	DSWD
D. Rural Electrification	Barangay/Rural Electrification	DOE/NEA/LGUs
E. Water Supply	Construction of Water System Installation of Pipes/ Pumps/Tanks	DPWH LGUs LWUA
	Water Supply System Development for Local Water Districts	
F. Financial Assistance	Specific Programs and Projects to Address the Pro-Poor Programs of Government	LGUs
G. Public Works	Construction/Repair/Rehabilitation of the following: Roads and Bridges/Flood Control/School Building/Hospitals/Health Facilities/Public Markets/Multi-Purpose Buildings/Multi-Purpose Pavements	DPWH
	Construction/Repair/ Rehabilitation of Academic Buildings	SUCs
H. Irrigation	Construction/Repair/ Rehabilitation of Irrigation Facilities	DA-NIA
I. Peace and Order	Purchase of Vehicles, Firetrucks	DILG-PNP/BFP/ BFP/BJMP
	Construction/Repair of Police, Jail and Fire Stations	DILG-PNP/BFP/ BJMP
J. Housing	Construction of Housing Units for Eligible Beneficiaries	NHA/LGUs
K. Forest Management	Establishment/Rehabilitation/ Maintenance and Protection of Forest, Mangrove and Watersheds	DENR
	Upland Agro-Forestry Development Program Specifically For The Planting Of Jatropa Curcas L.	NRDC-PFC
L. Historical/	Historical Sites/	NCAA/NHI/FDCP

Arts/Culture and Music	Heritage/Documentary Films of Culture and Arts, Promotion of Filipino Music
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PROVIDED, That in the procurement of common-use supplies, the implementing agencies shall adhere to the price list and the rules and regulations to be issued by the Government Procurement Policy Board: PROVIDED, FURTHER, That the amount herein authorized can not be impounded and shall be released within the budget year: PROVIDED FURTHERMORE, That the appropriation herein authorized shall have validity of two (2) years as provided under Section 66 of the General Provisions of this Act. (DIRECT VETO- President's Veto Message, March 11, 2008, pages 1191-1192, R.A. No. 9498)"

FY 2009 GAA

"1. Use and Release of the Fund. The amount appropriated herein shall be used to fund priority programs and projects under the Ten Point Legacy Agenda of the national government and shall be released directly to the implementing agencies as indicated hereunder, to wit:

PARTICULARS	PROGRAM PROJECT	IMPLEMENTING AGENCY
A. Education	Purchase of IT Equipment	DepEd/TESDA/ CHED/SUCs/LGUs
	Scholarship	TESDA/CHED/ SUCs/LGUs
B. Health	Assistance to Indigent Patients Either Confined or Out-Patients, in Hospitals Under DOH Including Specialty Hospitals	DOH Hospitals/Specialty Hospitals/UPS-PGH/ WVSU Hospital
	Purchase of Medical Equipment	DOH Hospitals/Specialty Hospitals/UPS-PGH WVSU Hospital
	Assistance to Indigent Patients at the Hospitals Devolved to LGUs and RHUs	LGUs
	Insurance Premium	Philhealth
C. Livelihood/ CIDSS	Small & Medium Enterprise/ Livelihood Comprehensive Integrated Delivery of Social Services	DTI/DA/NLDC CDA/OMA DSWD
D. Rural Electrification	Barangay/Rural Electrification	DOE/NEA/LGUs
E. Water Supply	Construction of Water System Installation of Pipes/ Pumps/Tanks	DPWH LGUs
	Water Supply System Development for Local Water Districts	LWUA
F. Financial Assistance	Specific Programs and Projects to Address the Pro-Poor Programs of Government	LGUs
G. Public Works	Construction/Repair/Rehabilitation of the following: Roads and Bridges/Flood Control/School Building/Hospitals/Health Facilities/Public Markets/Multi- Purpose Buildings/Multi-Purpose Pavements Construction/Repair/ Rehabilitation of Academic Buildings	DPWH SUCs
H. Irrigation	Construction/Repair/	DA-NIA

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	Rehabilitation of Irrigation Facilities	
I. Peace and Order	Purchase of Vehicles, Firetrucks and Firefighting Equipment, Patrol Vehicles, Prisoner's Vans, and Muticabs	DILG
	Construction/Repair of Police, Jail and Fire Stations	DILG
J. Housing	Construction of Housing Units for Eligible Beneficiaries	NHA/LGUs
K. Forest Management	Establishment/Rehabilitation/ Maintenance and Protection of Forest, Mangrove and Watersheds	DENR
	Upland Agro-Forestry Development Program specifically for the Planting Of Jatropha Curcas L.	NRDC-PFC
L. Historical/ Arts/Culture	Historical Sites/ Heritage	NHI

PROVIDED, That in the procurement of common-use supplies, the implementing agencies shall adhere to the price list and the rules and regulations to be issued by the Government Procurement Policy Board and the Procurement Service." (Boldface ours).

FY 2010

1. Use and Release of Fund. The amount appropriated herein shall be used to fund priority programs and projects of the National Government, and shall be released directly to the implementing agencies as indicated hereunder, to wit:

PARTICULARS	PROGRAM/PROJECT	IMPLEMENTING AGENCY
A. Education	Purchase of IT Equipment	DepEd/TESDA/ CHED/SUCs/LGUs/NCIP
	Scholarship	TESDA/CHED/SUCs/LGUs
B. Health	Assistance to Indigent Patients either Confined Or Out-Patients, in Hospitals under DOH including Specialty Hospitals	DOH Hospitals/ Specialty Hospitals/UPS-PGH/WVSU Hospital
	Purchase of Medical Equipment	DOH/Specialty Hospitals/ UPS-PGH/WVSU Hospital
	Assistance to Indigent Patients at the Hospitals Devolved to LGUs and RHUs	LGUs
	Insurance Premium	Philhealth
C. Livelihood/ CIDSS	Small & Medium Enterprise/ Livelihood Comprehensive Integrated Delivery of Social Services	DTI/ DA/NLDC/CDA/OMA
D. Rural Electrification	Barangay/Rural Electrification	DSWD
E. Water Supply	Construction of Water System Installation of Pipes/ Pumps/Tanks	DOE/NEA/LGUs
	Water Supply System Development for Local Water Districts	DPWH LGUs
		LWUA
F. Financial Assistance	Specific Programs and Projects to Address the Pro-Poor Programs of Government	LGUs
G. Public Works	Construction/Repair/Rehabilitation of the following: Roads and Bridges/Flood Control/School Buildings and other educational facilities /Hospitals/Health Facilities/Public Markets/Multi- Purpose	DPWH/LGUS

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	Buildings/Multi-Purpose Pavements	
	Construction/Repair/ Rehabilitation of	
	Academic Buildings	SUCs
H. Irrigation	Construction/Repair/ Rehabilitation of	
	Irrigation Facilities	DA-NIA
I. Peace and Order	Purchase of Firetrucks and Firefighting	
	Equipment, Patrol Vehicles, Prisoners' Vans, and Multicabs and Police Patrol	
	Equipment	DILG
	Construction/Repair of Police, Jail and	
	Fire Stations	DILG
J. Housing	Construction of Housing Units for Eligible	
	Beneficiaries	NHA/LGUs
K. Forest Management	Establishment/Rehabilitation/	
	Maintenance and Protection of Forest, Mangroves and Watersheds	DENR
	Upland Agro-Forestry Development	
	Program specifically for the planting of	NRDC-PFC
	Jatropha Curcas L.	
L. Historical/	Historical Sites/Heritage	
Arts/Culture		NHI

PROVIDED, That in the procurement of common-use supplies, the implementing agencies shall adhere to the price list and the rules and regulations to be issued by the Government Procurement Policy Board.

3. Consequently, the requirement for the submission of project profile and endorsement by implementing agencies previously required under NBC No. 476, is already **effectively superseded** by the enactment of the FY 2005 GAA. The submission of project profile and endorsement by the implementing agencies were no longer necessary considering that the details required in the project profiles and endorsements under NBC No. 476 were already provided for in the PDAF menu under the GAA for FYs 2005 and succeeding fiscal years.
4. For information of all concerned.

FLORENCIO B. ABAD

Secretary *W*

