



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

**CIRCULAR LETTER**

**No. 2017- 6**  
March 24, 2017

**TO :** The Local Chief Executives, Members of the Local Sanggunian, Other Local Officials, Members of Local Finance Committee, and All Others Concerned

**SUBJECT :** **WARNING AGAINST INDIVIDUALS/ORGANIZED GROUPS ALLEGEDLY FACILITATING THE RELEASE OF FUNDS TO LOCAL GOVERNMENT UNITS (LGUs)**

- 1.0 In the light of increasing reports that certain individuals/organized groups have been claiming to have facilitated or have the capacity or influence to facilitate releases of Allocations to Local Government Units (ALGU), including the Internal Revenue Allotment and the Local Government Support Fund, as well as funds for farm-to-market roads (FMRs), we strongly advise all LGUs to refrain from entertaining or transacting with such individuals/organized groups of dubious character.
- 2.0 It is emphasized that the Department of Budget and Management (DBM) does not authorize any person or group of persons to solicit any amount from the LGUs in order to facilitate the release of funds. Requests for fund releases submitted to this Department are acted upon consistent with established procedures and guidelines, and upon submission of the prescribed documentary requirements.
- 3.0 Fund releases to LGUs, either through the Bureau of the Treasury, which directly downloads the funds to the LGUs, or through the Department of Agriculture covering FMRs, are made consistent with the pertinent provisions of the applicable General Appropriations Act, as well as with other pertinent laws, rules and regulations. Information on these fund releases are readily accessible on the DBM website.
- 4.0 Thus, to preclude these individuals/organized groups from making representations that they are able to influence or facilitate the release of funds, this Department shall only directly deal with the Local Chief Executive or his duly authorized representative who must be an organic personnel of the LGU concerned.
- 5.0 All LGUs are advised to directly report to the undersigned, or to the DBM Regional Office concerned, any similar incident so that appropriate action(s) may be undertaken against the subject individuals/organized groups.
- 6.0 For information/guidance.

**BENJAMIN E. DIOKNO**  
Secretary



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