



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT



LOCAL BUDGET CIRCULAR NO. 116B

Date: September 25, 2019

To : **CITY MAYORS, MEMBERS OF THE SANGGUNIANG PANLUNGSOD, CITY BUDGET OFFICERS, CITY TREASURERS, CITY PLANNING AND DEVELOPMENT COORDINATORS, CITY ACCOUNTANTS, AND ALL OTHERS CONCERNED**

Subject : **CLARIFICATION ON THE PROVISIONS OF LOCAL BUDGET CIRCULAR NO. 116-A RE: LOCAL GOVERNMENT SUPPORT FUND – ASSISTANCE TO CITIES, FISCAL YEAR 2018**

- 1.0. Section 3.8.2 of Local Budget Circular No. 116-A provides that the funds released to local government units (LGUs) from the Local Government Support Fund – Assistance to Cities (LGSF-AC) under the Fiscal Year 2018 General Appropriations Act, Republic Act No. 10964, shall be recorded by the cities as Trust Funds for the specific purpose.

The Circular further provides that "funds which remain unutilized as of 31 December 2019 shall be reverted to the National Treasury by the recipient cities," which is similarly provided under Special Provision No. 7 of the LGSF under RA No. 10964.

- 2.0. In order to ensure the timely completion of the projects funded through the LGSF-AC covered by contracts already awarded by the respective cities but will be completed beyond 31 December 2019, concerned LGUs are requested to submit a certification signed by the City Mayor and the City Accountant that: (i) the project is already ongoing and will be completed on a specific date but beyond 31 December 2019; and (ii) the funds received from the LGSF-AC will be disbursed to the concerned contractor according to the approved payment schedule/progress billing.
- 3.0. The DBM Regional Offices shall coordinate with the concerned LGUs and ensure the timely submission for the said certification to the Central Office not later than **30 November 2019** for monitoring and evaluation.
- 4.0. This Circular shall take effect immediately.


WENDEL E. AVISADO
Acting Secretary

