



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

LOCAL BUDGET CIRCULAR

No. 138
August 6, 2021

To : Local Chief Executives, Members of the Local Sanggunian, Local Budget Officers, Local Treasurers, Local Planning and Development Coordinators, Local Accountants, and All Others Concerned

Subject : **GUIDELINES ON THE RELEASE AND UTILIZATION OF THE FINANCIAL ASSISTANCE TO LOCAL GOVERNMENT UNITS PLACED UNDER ENHANCED COMMUNITY QUARANTINE PURSUANT TO IATF-MEID RESOLUTION NO. 130-A**

1.0 LEGAL BASIS

Pursuant to Inter-Agency Task Force on the Management of Emerging Infectious Diseases (IATF-MEID) Resolution No. 130-A dated 29 July 2021, the National Capital Region (NCR) was placed under Enhanced Community Quarantine (ECQ) from August 6 to 20, 2021.

As approved by the Office of the President per Memorandum dated August 3, 2021, financial assistance shall be released to cities and municipalities in NCR, chargeable against the savings generated pursuant to Administrative Order No. 41.

2.0 PURPOSE

This Circular is being issued to prescribe the guidelines and procedures on the release and utilization of the financial assistance to the cities and municipalities under NCR which was placed under ECQ pursuant to IATF-MEID Resolution No. 130-A dated 29 July 2021.

3.0 GUIDELINES

- 3.1 The financial assistance shall be released to the cities and municipalities in the NCR that are placed under ECQ pursuant to IATF-MEID Resolution No. 130-A to boost their capacity in immediately responding to the COVID-19 emergency.

- 3.2 The financial assistance shall be computed based on the Philippine Statistics Authority's population projection in the said LGUs corresponding to those with low-income population. The allocations for each city and municipality are provided in Annex A hereof.
- 3.3 Consistent with DBM-Department of Finance Joint Circular No. 2016-1¹ dated January 4, 2016, the financial assistance shall be released directly by the BTr to the beneficiary LGUs, through authorized government servicing banks, consistent with the purposes indicated in the corresponding Special Allotment Release Order and Advice of Notice of Cash Allocation Issued to be released by the DBM to the BTr.
- 3.4 The financial assistance shall be **used exclusively** by the beneficiary cities and municipalities for the provision of assistance to affected individuals **equivalent to P1,000.00 per affected individual, with a maximum amount of P4,000.00 per family**, subject to the close supervision and monitoring of the Department of the Interior and Local Government and Department of Social Welfare and Development.
- 3.5 The LGUs shall determine the most efficient and effective way of release of assistance. Likewise, the financial assistance **shall not be used** for any other unauthorized programs, projects, activities, and expenses.
- 3.6 The financial assistance shall be recorded as trust receipts by the LGUs **and shall be used only** for the specified purpose for which the funds were received. Funds which remain unutilized as of **December 31, 2021**, shall be reverted to the National Treasury by the LGUs. However, if at any point before **December 31, 2021**, the LGU determines that the funds can no longer be utilized, the amount received by the same LGU from the financial assistance shall be immediately reverted to the National Treasury.
- 3.7 Disbursements and utilization of the financial assistance shall be subject to the pertinent provisions of the Government Procurement Reform Act (RA No. 9184) and its 2016 Revised Implementing Rules and Regulations (IRR), and any relevant policies issued by the Government Procurement Policy Board (GPPB), as well as other applicable laws, and budgeting, accounting, and auditing rules and regulations.

4.0 **POSTING AND REPORTING REQUIREMENTS**

The beneficiary LGUs shall:

- 4.1 Comply with the posting requirements prescribed under RA No. 9184 and its 2016 Revised IRR, and all relevant policies issued by the GPPB;
- 4.2 Prepare a report on fund utilization and status of implementation of PPAs using the prescribed format (Annex B);

¹ Guidelines for the Direct Release of Funds by the Bureau of the Treasury (BTr) to Local Government Units (LGUs) in FY 2016 and Thereafter

- 4.3 Post the accumulated reports on the LGU's website and in at least three (3) conspicuous public places in the locality at the end of every month; and
- 4.4 The local chief executive (LCE) of the implementing LGU shall send the said monthly report, together with the list of beneficiaries to the DBM, the Commission on Audit and other offices where the submission of reports is required under existing laws, rules, and regulations.

5.0 RESPONSIBILITY AND ACCOUNTABILITY

The responsibility and accountability in the implementation of programs, projects, and activities and proper utilization and disbursement of the financial assistance shall rest upon the LCE and other local officials concerned. It is also the responsibility of said local officials to ensure that the funds released to their respective cities/municipalities are utilized strictly in accordance with applicable budgeting, accounting, and auditing rules and regulations, and pertinent provisions of RA No. 9184 and its 2016 Revised IRR.

6.0 ITEMS FOR RESOLUTION

Interpretation of the provisions of this Circular, including relevant items not covered herein, shall be referred to the DBM for resolution.

7.0 SEPARABILITY CLAUSE


If any provision of this Circular is declared invalid or unconstitutional, the other provisions not affected thereby shall remain valid and subsisting.

8.0 REPEALING CLAUSE

All provisions of existing guidelines that are not consistent with this Circular are hereby revised, modified and/or repealed accordingly.

9.0 EFFECTIVITY

This Circular shall take effect immediately upon complete publication in the Official Gazette or in a newspaper of general circulation.


WENDEL E. AVISADO
Secretary



ANNEX A**ALLOCATION FROM THE FINANCIAL ASSISTANCE
TO CITIES AND MUNICIPALITIES**

No.	City/Municipality	Allocation (in pesos)
1	Caloocan City	1,342,711,000
2	Las Piñas City	488,015,000
3	Makati City	511,984,000
4	Malabon City	307,004,000
5	Mandaluyong City	347,652,000
6	Manila City	1,488,630,000
7	Marikina City	365,749,000
8	Muntinlupa City	441,609,000
9	Navotas City	197,713,000
10	Parañaque City	556,150,000
11	Pasay City	356,727,000
12	Pasig City	650,886,000
13	Pateros	52,419,000
14	Quezon City	2,372,086,000
15	San Juan City	101,794,000
16	Taguig City	723,971,000
17	Valenzuela City	589,309,000
	TOTAL	10,894,409,000

FINANCIAL ASSISTANCE FOR LOCAL GOVERNMENT UNITS IN ENHANCED COMMUNITY QUARANTINE
Report on Fund Utilization and Status of Program/Project/Activity Implementation
For the Month of _____

Fund Source	Date of Notice of Authority to Debit Account Issued (NADAI)	Name/Title of PPA	Specific Location	Mechanism/ Mode of Implementation	Estimated Number of Beneficiaries	Amount			Estimated Period of Completion (month and year)	Program/ Project Status
						Received	Obligation	Disbursement		

Prepared by: The Local Finance Committee (LFC)

Attested by:

Local Budget Officer

Local Chief Executive

Local Treasurer

Local Planning and Development Coordinator

Instructions:

1. The report shall be prepared by the LFC, in coordination with the other local officials concerned (e.g. local accountant on the allotment, obligation and disbursements; local engineer on the status of infrastructure projects, as may be applicable).
2. The fund source shall be based on the NADAI issued to the province.
3. The type of program/project shall be identified consistent with the allowable P/A/Ps and expenses under the Circular.
4. Amount received refers to the amount received by the province as its allocation. It is the amount indicated in the NADAI. Obligation refers to the total amount obligated by the province as of reporting period. Disbursement refers to the total amount paid by the province as of reporting period.
5. The status of programs/projects refers to the percentage of physical completion as of reporting period.