



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



LOCAL BUDGET CIRCULAR

No. **142-B**

Date: **AUG 16 2022**

- 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 : **AMENDMENT TO LOCAL BUDGET CIRCULAR (LBC) NO. 142 DATED JANUARY 24, 2022, AS AMENDED BY LBC NO. 142-A DATED APRIL 28, 2022, ENTITLED, "GUIDELINES ON THE RELEASE AND UTILIZATION OF THE LOCAL GOVERNMENT SUPPORT FUND-FINANCIAL ASSISTANCE TO LOCAL GOVERNMENT UNITS AND SUPPORT FOR CAPITAL OUTLAYS AND SOCIAL PROGRAMS UNDER THE FY 2022 GENERAL APPROPRIATIONS ACT, REPUBLIC ACT NO. 11639"**

1.0 PURPOSE

This Circular is being issued to amend LBC No. 142 dated January 24, 2022, as amended by LBC No. 142-A dated April 28, 2022, entitled, "Guidelines on the Release and Utilization of the Local Government Support Fund-Financial Assistance to Local Government Units and Support for Capital Outlays and Social Programs [LGSF-FA to LGUs] under the FY 2022 General Appropriations Act [GAA], Republic Act [RA] No. 11639."

2.0 AMENDMENTS

- 2.1 The deadline for the submission of requests for financial assistance, chargeable against the FY 2022 LGSF-FA to LGUs, shall be extended up to **September 30, 2022**. New requests received through any channel beyond the prescribed deadline shall be automatically returned to the requesting LGUs without any action.
- 2.2 The LGUs affected by calamity(ies) or disaster(s) that occurred in Calendar Year 2022 may request for financial assistance for the implementation of programs and projects specified under Special Provision (SP) No. 2 of the LGSF in the FY 2022 GAA, RA No. 11639, subject to the following:
- 2.2.1 The Special Budget Request (SBR) of calamity/disaster-affected LGUs, chargeable against the FY 2022 LGSF-FA to LGUs, shall be signed by the local chief executive of the province, city, municipality, or barangay, and shall be addressed and directly submitted to the Secretary of the Department of the Interior and Local Government (DILG).

- 2.2.2 The SBR of calamity/disaster-affected LGUs shall be supported by the documentary requirements prescribed under LBC No. 142, as amended, and shall comply with the templates/formats prescribed under said Circular.
- 2.2.3 In the identification of the proposed program(s) and/or project(s) to be implemented, the calamity/disaster-affected LGUs shall prioritize those that are directly related to disaster response, rehabilitation, and recovery; Provided, that the same fall within the purview of the eligible programs and projects pursuant to SP No. 2 of the LGSF under the FY 2022 GAA, RA No. 11639, and as further defined in Annex A of LBC No. 142.
- 2.2.4 The indicative ceiling under item 3.3.1 of LBC No. 142 shall not apply to the requests of calamity/disaster-affected LGUs. However, the allowable amount of allocation for each calamity/disaster-affected LGU shall be determined by the DILG based on the proportionate amount of damages incurred by the same LGU on infrastructure and agriculture as reflected on the Situational Reports of the National Disaster Risk Reduction and Management Council (NDRRMC) and Disaster Response Operations Monitoring and Information Center (DROMIC) Report of the Department of Social Welfare and Development (DSWD).
- 2.2.5 Further, the minimum obligation rate of seventy percent (70%) for the amount(s) received by LGUs from the FY 2021 LGSF-FA to LGUs shall not apply to calamity/disaster-affected LGUs.

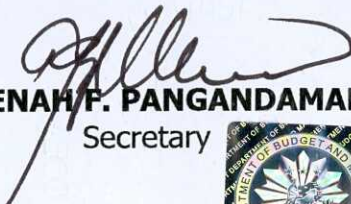
Nevertheless, in the case of undisbursed balances from the FYs 2016 to 2020 LGSF-FA to LGUs, the recipient LGUs shall revert the same to the National Treasury and they shall submit to the DILG a certification attesting that said balances have indeed been returned by the LGU to the National Treasury, together with the corresponding disbursement voucher/deposit slip.

- 2.2.6 The DILG may issue the necessary operational guidelines for the implementation of item 2.2 of this Circular, including the timelines for the preparation and submission of SBR and the prescribed documentary requirements by the calamity/disaster-affected LGUs. It must be understood that any guidelines that may be issued by the DILG for the purpose shall be made consistent with SP No. 2 of the LGSF under the FY 2022 GAA, RA No. 11639, and LBC No. 142, as amended.
- 2.2.7 The DILG shall endorse to the Department of Budget and Management (DBM) Central Office on or before **October 31, 2022** all eligible and compliant requests of calamity/disaster-affected LGUs. The DILG shall specify the following details in their endorsement letter to DBM: (i) name of beneficiary LGUs; (ii) total amount of allocation for the beneficiary LGUs; (iii) program(s)/project(s) to be implemented; and (iv) pertinent Situational Report(s) of the NDRRMC and DROMIC Report(s) of the DSWD.

2.2.8 Upon receipt of the favorable endorsement of the DILG, the Special Allotment Release Order covering the approved requests of calamity/disaster-affected LGUs shall be released by the DBM to the Bureau of the Treasury (BTr), while the corresponding Notices of Cash Allocation (NCAs) shall be released to the Authorized Government Servicing Banks (AGSBs) of the same beneficiary LGUs.

Upon receipt of the Advice of NCA Issued from the DBM, the BTr shall release the corresponding Advices to Debit Account (ADAs) to the AGBSs of the beneficiary LGUs. In parallel, the BTr shall inform the said LGUs of the released funds and their purposes through the issuance of Notice of ADA Issued.

- 3.0 All other provisions of LBC No. 142 and LBC No. 142-A that are not affected by the foregoing amendments shall remain in full force and effect.
- 4.0 This Circular shall take effect immediately upon its complete publication in the Official Gazette or in a newspaper of general circulation.


AMENA F. PANGANDAMAN
Secretary

