

## E. LOCAL GOVERNMENT SUPPORT FUND

Appropriations/Obligations

(In Thousand Pesos)

<u>Description</u>	<u>( Obligation-Based )</u>		<u>( Cash-Based )</u>
	2017	2018	2019
New General Appropriations	<u>39,759,341</u>	<u>31,435,232</u>	<u>34,299,651</u>
General Fund	39,759,341	31,435,232	34,299,651
Continuing Appropriations	<u>472,748</u>		
Unreleased Appropriation for MOOE R.A. No. 10924	472,748		
Budgetary Adjustment(s)	<u>36,387</u>		
Transfer(s) from: Pension and Gratuity Fund	36,387		
Total Available Appropriations	40,268,476	31,435,232	34,299,651
Unused Appropriations	<u>( 25,600 )</u>		
Unreleased Appropriation	<u>( 25,600 )</u>		
TOTAL OBLIGATIONS	<u>40,242,876</u>	<u>31,435,232</u>	<u>34,299,651</u>

EXPENDITURE PROGRAM  
(in pesos)

PURPOSE	<u>( Obligation-Based )</u>		<u>( Cash-Based )</u>
	2017 Actual	2018 Current	2019 Proposed
TOTAL NEW APPROPRIATIONS	<u>40,242,876,000</u>	<u>31,435,232,000</u>	<u>34,299,651,000</u>
MOOE	40,242,876,000	31,435,232,000	34,299,651,000

EXPENDITURE PROGRAM BY CENTRAL / REGIONAL ALLOCATION, 2019 ( Cash-Based )  
(in pesos)

REGION	PS	MOOE	CO	TOTAL
Regional Allocation		<u>34,299,651,000</u>		<u>34,299,651,000</u>
Nationwide		34,299,651,000		34,299,651,000
TOTAL AGENCY BUDGET		<u>34,299,651,000</u>		<u>34,299,651,000</u>

## SPECIAL PROVISION(S)

1. Assistance to Municipalities. The amount of Eleven Billion Seven Hundred Fourteen Million One Hundred Thirty Three Thousand Pesos (P11,714,133,000) appropriated herein under Assistance to Municipalities shall be used to support the priority projects of municipalities, and allocated based on equal share, fiscal capacity, per capita share, and share for good performance.

The Assistance to Municipalities shall fund projects culled out from the Local Development Investment Programs of municipalities and shall be limited to: (i) local access roads, to include drainage systems along existing roads, that are compliant to DPWH standards; (ii) local bridges; (iii) potable water system projects; (iv) evacuation center and Disaster Risk Reduction-related equipment; (v) small water impounding project; (vi) rain water catchment facilities; (vii) sanitation and health facilities; and (viii) municipal drug rehabilitation facility.

Release of funds to the municipalities shall be subject to their compliance with the following: (i) DILG Seal of Good Financial Housekeeping; (ii) the requirements of the DILG Local Development Council functionality; (iii) assessment of Public Financial Management (PFM) systems and adoption of the corresponding PFM improvement measures; and (iv) notarized certification prepared by the Municipal Engineer and Municipal Planning and Development Coordinator (MPDC), signed by the Local Chief Executive (LCE) attesting that:

(a) the site of the project has no land ownership and Right-of-Way (ROW) problems/issues;

(b) the project is not located in the "No Build Zone" and hazard prone area as determined by the Mines and Geosciences Bureau Hazard Map; and

(c) for water supply, the water source has been validated by the Municipal Engineer and found to be feasible to supply water to the intended beneficiaries and potable for drinking or mitigating measures have been included in the design to make the water potable.

Duly accredited Civil Society Organizations are encouraged to actively participate in the implementation by way of: (i) serving as observer in the procurement process; (ii) Municipal Development Council project monitoring; and (iii) third party monitoring and evaluation. Citizens are also encouraged to provide feedback on the implementation of the projects.

Implementation of this provision shall be subject to guidelines to be issued for the purpose.

2. Assistance to Cities. The amount of Five Billion Seven Hundred Eighty One Million Nine Hundred Fifty Thousand Pesos (P5,781,950,000) appropriated herein as Assistance to Cities shall be allocated to LGUs based on equal sharing and population, and shall be used to fund the construction, rehabilitation, repair or improvement of public open spaces.

Implementation of this provision shall be subject to guidelines to be issued for the purpose.

3. Conditional Matching Grant to Provinces for Road Repair, Rehabilitation and Improvement. The amount of Eight Billion Two Hundred Twenty Three Million Six Hundred Forty Five Thousand Pesos (P8,223,645,000) appropriated herein for the Conditional Matching Grant to Provinces for Road Repair, Rehabilitation and Improvement (CMGP) shall be used to support provinces which are compliant with DILG's Seal of Good Financial Housekeeping and DBM-validated PFM Improvement Plan.

The said amount shall be allocated as follows: (i) equal share - 20%; (ii) percentage share based on land area - 10%; (iii) percentage share based on unpaved and poor to bad paved core roads - 20%; (iv) absorptive capacity based on the performance assessment of the implementation of 2017 CMGP Projects - 30%; (v) performance on the Achievement of 2017 Governance Reform Targets - 10%; and (vi) compliance with 2018 CMGP submission of fund release requirements - 10%.

The beneficiary province shall comply with the following in the implementation of this provision:

(a) Detailed Engineering Designs and Program of Works of CMGP Projects;

(b) Local Road Management Assessment Report with Improvement Plan and such other requirements as may be provided in the guidelines issued by the DILG and DBM;

(c) submission to the DBM of the PFM Improvement Plan and such other requirements as may be provided in the guidelines issued by DBM;

(d) compliance with the procurement rules under R.A. No. 9184, its IRR and GPPB guidelines;

(e) observance of the design, plan, specifications and such other standards and policies of National Government; and

(f) certification issued by the province's Local Finance Committee that the local road maintenance budget for the current year is sufficient to maintain one hundred percent (100%) of fair to good roads supported with approved Annual Maintenance Work Program.

4. Provision for Potable Water Supply (SALINTUBIG). The amount of One Billion Five Hundred Forty Nine Million Six Hundred Forty One Thousand Pesos (P1,549,641,000) appropriated herein shall be used exclusively for the SALINTUBIG Projects and shall be implemented exclusively in the LGUs identified in this Act. In no case shall said amount be used for other purpose.

Release of fund shall be made directly to the beneficiary LGUs subject to compliance with the following:

- (a) DILG Seal of Good Financial Housekeeping;
- (b) the requirements of DILG Local Development Council Functionality Assessment;
- (c) assessment of PFM Systems and adoption of the corresponding PFM improvement measures; and
- (d) notarized certification prepared by the city/municipal engineer and city/municipal planning and development coordinator, and signed by the LCE attesting that:

1. The water source has been validated by the city/municipal engineer and has been found to be:

- a. Feasible for supplying water to the intended beneficiaries; and
- b. Potable for drinking or engineering mitigation measures have been included in the design to make the water potable.

2. The site of the project has no land ownership and ROW problems/issues; and

(e) project implementation schedule, including procurement timelines, prepared by the city/municipal engineer and approved by the LCE.

Duly accredited Civil Society Organizations are encouraged to actively participate in the implementation by way of: (i) serving as observer in the procurement process; (ii) Municipal Development Council project monitoring; and (iii) third party monitoring and evaluation. Citizens are also encouraged to provide feedback on the implementation of the projects.

The implementation of this provision shall be subject to the guidelines to be issued by the DILG.

5. Other Financial Assistance to Local Government Units. The amount of Seven Billion Thirty Million Two Hundred Eighty Two Thousand Pesos (P7,030,282,000) appropriated herein under Other Financial Assistance to LGUs shall be used for financial assistance to LGUs to support the following priority programs and projects of LGUs:

(a) Assistance to indigent patients either confined or out-patient (including professional fees) and purchase of ambulance;

(b) Assistance to indigent individual or families in any of the following forms: (i) medical; (ii) burial; (iii) transportation; (iv) food assistance; (v) cash for work; and (vi) educational assistance;

(c) Purchase of mini dump trucks;

(d) Purchase of multicabs;

(e) Construction, concreting, rehabilitation, repair or improvement of any of the following: (i) local roads and/or bridges; (ii) public markets; (iii) slaughterhouses; (iv) multi-purpose buildings/halls; (v) multi-purpose pavements; (vi) drainage canals; (vii) sea wall/river wall; (viii) water system projects including level 1/stand alone water points; (ix) evacuation centers; (x) public parks; (xi) fish ports; and (xii) post-harvest facilities composed of ice plant and cold storage facilities; and

(f) Purchase and installation of barangay streetlighting.

Disbursement and utilization by the LGUs shall be subject to the pertinent provisions of R.A. No. 9184, applicable accounting, budgeting and auditing rules and regulations, and such other guidelines issued for the purpose.

6. Availability of Financial Assistance to LGUs. The amounts appropriated as financial assistance to LGUs shall be released during the fiscal year to be deposited in a trust fund and shall be made available for disbursement for the purpose specified until December 31, 2020.

After the end of validity period, any unreleased appropriations shall lapse, while undisbursed funds shall revert to the unappropriated surplus of the General Fund in accordance with Section 28, Chapter 4, Book VI of E.O. No. 292.

7. Direct Release of Funds Chargeable Against the Local Government Support Fund. The LGU shall submit quarterly reports on the utilization of the LGU shares, through the following:

(a) Local Government Units Reporting System (LGURS) or other electronic means for reports not covered by the LGURS; and

(b) LGU's website.

The LGU shall send written notice when said reports have been submitted or posted on its website to the DBM, House of Representatives, Senate of the Philippines, House Committee on Appropriations, Senate Committee on Finance, and other offices where the submission of reports is required under existing laws, rules and regulations. The date of notice to said agencies shall be considered the date of compliance with this requirement.

New Appropriations, by Purpose ( Cash-Based )

		<u>Current Operating Expenditures</u>			
		<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
PROGRAMS					
400200000000000	Allocation to Local Government Units		P 34,299,651,000		P 34,299,651,000
400204000000000	Local Government Support Fund		34,299,651,000		34,299,651,000
400204000002000	Assistance to Municipalities		11,714,133,000		11,714,133,000
400204000004000	Assistance to Cities		5,781,950,000		5,781,950,000
400204000005000	Conditional Matching Grant to Provinces for Road Repair, Rehabilitation and Improvement		8,223,645,000		8,223,645,000
400204000007000	Provision of Potable Water Supply (SALINTUBIG)		1,549,641,000		1,549,641,000
400204000010000	Other Financial Assistance to Local Government Units		7,030,282,000		7,030,282,000
Sub-total, PROGRAMS			34,299,651,000		34,299,651,000
TOTAL NEW APPROPRIATIONS			P 34,299,651,000 =====		P 34,299,651,000 =====

Obligations, by Object of Expenditures

CYs 2017-2019  
(In Thousand Pesos)

	<u>( Obligation-Based )</u>		<u>( Cash-Based )</u>
	<u>2017</u>	<u>2018</u>	<u>2019</u>
Current Operating Expenditures			
Maintenance and Other Operating Expenses			
Travelling Expenses		21,752	
Training and Scholarship Expenses		109,254	
Supplies and Materials Expenses		7,175	
Utility Expenses		881	
Communication Expenses		3,501	
Professional Services		220,682	
General Services		120,820	
Repairs and Maintenance		311	
Financial Assistance/Subsidy	40,242,876	30,943,624	34,299,651
Other Maintenance and Operating Expenses			
Printing and Publication Expenses		2,009	
Rent/Lease Expenses		5,223	
TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES	<u>40,242,876</u>	<u>31,435,232</u>	<u>34,299,651</u>
GRAND TOTAL	<u>40,242,876</u>	<u>31,435,232</u>	<u>34,299,651</u>