

E. LOCAL GOVERNMENT SUPPORT FUND (FORMERLY FINANCIAL SUBSIDY TO LOCAL GOVERNMENT UNITS)

Appropriations/Obligations

(In Thousand Pesos)

<u>Description</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
New General Appropriations	<u>3,128,955</u>	<u>19,076,671</u>	<u>34,622,129</u>
General Fund	3,128,955	19,076,671	34,622,129
Continuing Appropriations	<u>355,000</u>	<u>232,558</u>	
Unreleased Appropriation for MOOE			
R.A. No. 10633	355,000		
R.A. No. 10651		232,558	
Budgetary Adjustment(s)	<u>95,246</u>		
Transfer(s) from:			
National Disaster Risk Reduction and Management Fund (Calamity Fund)	6,115		
Pension and Gratuity Fund	70,911		
Rehabilitation and Reconstruction Program	<u>18,220</u>		
Total Available Appropriations	3,579,201	19,309,229	34,622,129
Unused Appropriations	<u>(332,871)</u>	<u>(232,558)</u>	
Unreleased Appropriation			
R.A. No. 10651	<u>(332,871)</u>	<u>(232,558)</u>	
TOTAL OBLIGATIONS	<u>3,246,330</u>	<u>19,076,671</u>	<u>34,622,129</u>

EXPENDITURE PROGRAM
(in pesos)

No./ Code	PURPOSE	<u>2015 Actual</u>	<u>2016 Current</u>	<u>2017 Proposed</u>
TOTAL NEW APPROPRIATIONS		<u>3,246,330,000</u>	<u>19,076,671,000</u>	<u>34,622,129,000</u>
	MOOE	3,246,330,000	19,076,671,000	34,622,129,000

EXPENDITURE PROGRAM BY CENTRAL / REGIONAL ALLOCATION, 2017
(in pesos)

REGION	<u>PS</u>	<u>MOOE</u>	<u>CO</u>	<u>TOTAL</u>
Regional Allocation (net of Central Office):		<u>34,622,129,000</u>		<u>34,622,129,000</u>
Nationwide		34,622,129,000		34,622,129,000
TOTAL AGENCY BUDGET		<u>34,622,129,000</u>		<u>34,622,129,000</u>

SPECIAL PROVISION(S)

1. Financial Assistance to LGUs. The amount of Eight Hundred Million Pesos (P800,000,000) appropriated herein for financial assistance to LGUs shall be used to support the various priority programs and projects of LGUs.

2. Assistance to Disadvantaged Municipalities. The amount of Fifteen Billion Seven Hundred Ninety Two Million One Hundred Twenty Nine Thousand Pesos (P15,792,129,000) appropriated under the Local Government Support Fund shall be used for assistance to disadvantaged municipalities which shall be determined based on the magnitude of poor families, vulnerability to disasters, and other criteria as may be established by the DILG, in consultation with the DBM. The LGU beneficiaries shall be limited to disadvantaged municipalities that are able to: (i) meet the requirements of the DILG Seal of Good Financial Housekeeping; and (ii) assess their Public Financial Management systems and adopt the corresponding improvement measures.

The LGU beneficiaries shall submit to the DBM, the Speaker of the House of Representatives and the President of the Senate of the Philippines, either in printed form or by way of electronic document, quarterly reports on the financial and physical accomplishments of the projects.

3. Conditional Matching Grant to Provinces for Road Repair, Rehabilitation and Improvement. The amount of Eighteen Billion Thirty Million Pesos (P18,030,000,000) appropriated herein for the conditional matching grant to provinces for road repair, rehabilitation and improvement shall be implemented in provinces identified based on: (i) compliance with DILG's Seal of Good Financial Housekeeping; (ii) focus geographical areas under National Budget Memorandum Nos. 125 and 126 dated January 15, 2016 and April 4, 2016, respectively; (iii) Special Local Road Fund completion rate; (iv) percentage share of unpaved roads; and (v) percentage share of fair-to-good roads.

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

(a) submission to the DILG at the start of the year of: (i) provincial Road Network Plan with technical plans and costs estimates for the two (2) priority projects; (ii) proof of disbursement of previous year's maintenance budget for roads; and (iii) Local Road Management Assessment Report;

(b) submission to the DBM of Public Financial Management Assessment Report and such other requirements as may be provided in the guidelines issued by DBM;

(c) strict adherence to the provisions of R.A. No. 9184, its IRR and GPPB guidelines;

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

(e) commitment to fund the cost of maintenance and repairs; and

(f) the amount released to the LGUs shall be recorded as trust funds to be used for the specified purpose.

The implementing province shall submit to the DBM, the Speaker of the House of Representatives and the President of the Senate of the Philippines, either in printed form or by way of electronic document, quarterly reports on the financial and physical accomplishments. The Local Chief Executive and the LGU's web administrator or his/her equivalent shall be responsible for ensuring that said reports are likewise posted through the Open Road Portal.

4. Release of Funds. The funds shall be released directly by the BTr to the LGU beneficiaries through authorized government servicing banks.
5. Appropriations for Programs and Specific Activities. The amounts appropriated herein for the programs of the agency shall be used specifically for the following activities in the indicated amounts and conditions:

New Appropriations, by Purpose

	<u>Current Operating Expenditures</u>			<u>Total</u>
	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	
PROGRAMS				
000009020000000 Allocation to Local Government Units				
000009020400000 Local Government Support Fund				
108009020400001 Financial Subsidy to Local Government Units		800,000,000		800,000,000
108009020400004 Assistance to Municipalities		15,792,129,000		15,792,129,000
108009020400005 Conditional Matching Grant to Provinces for road repair, rehabilitation and improvement		18,030,000,000		18,030,000,000
Sub-total,		34,622,129,000		34,622,129,000
TOTAL NEW APPROPRIATIONS		P 34,622,129,000 =====		P 34,622,129,000 =====

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Obligations, by Object of Expenditures

CYs 2015-2017
(In Thousand Pesos)

	<u>2015</u>	<u>2016</u>	<u>2017</u>
Current Operating Expenditures			
Maintenance and Other Operating Expenses			
Financial Assistance/Subsidy	3,246,330	19,076,671	34,622,129
TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES	<u>3,246,330</u>	<u>19,076,671</u>	<u>34,622,129</u>
GRAND TOTAL	<u>3,246,330</u>	<u>19,076,671</u>	<u>34,622,129</u>