

DEPARTMENT OF BUDGET AND MANAGEMENT 2012 ANNUAL REPORT

Fulfilling Commitments to a Results-Focused Budget *Paggugol na Matuwid: Diretso sa Tao*

Driven by its commitment to transparent and accountable public expenditure management, the Department of Budget and Management (DBM) performed steadfastly throughout 2012. Building on the gains from various budgetary reforms put into place in 2011, this year saw these reforms deepen and produce results that contributed to the fulfillment of the Aquino administration's Social Contract with the Filipino people.

I. Focused Spending and Public Expenditure Management Reforms to Fulfill Commitments to the Social Contract: Spending within means, spending on the right things and providing value for money

A. The 2012 budget prioritized programs and projects under the five key result areas (KRAs) of the Social Contract:

1. Anti-Corruption and Transparent, Accountable and Participatory Governance: Commission on Elections' Automated National and Local Elections, P12.1 billion; Bureau of Internal Revenue's (BIR) Integrated Tax Compliance and Enforcement Efforts, P3.5 billion; and Bureau of Custom's Enhanced Revenue Collection, P2.9 billion.
2. Poverty Reduction, Empowerment of the Poor and Vulnerable. Department of Social Welfare and Development's (DSWD) Conditional Cash Transfer, P39.4 billion; Department of Education's (DepEd) Lump-sum for the Requirement of Basic Educational Facilities, P15.2 billion; and Department of Health's (DOH) Health Insurance for Indigents-Premium Subsidy to Indigents under the NHIP, P13.9 billion.
3. Rapid, Inclusive and Sustained Economic Growth. Roads and bridges, flood control and water supply under Department of Public Works and Highways (DPWH), P116.3 billion; farm-to-market roads, irrigation systems, the National Rice Program, the National Fisheries Program, and the National High Value Crops Program under the Department of Agriculture (DA), P43.8 billion; and the Panglao Airport Development in Bohol, Puerto Princesa Airport Development in Palawan, New Legazpi Airport Development in Albay and the LRT 1 South Extension and Privatization under the Department of Transportation and Communications (DOTC), P10.3 billion.
4. Just and Lasting Peace and the Rule of Law. The Payapa at Masaganang Pamayanan (PAMANA) Program, P1.8 billion; the Armed Forces of the Philippines (AFP) Modernization Program, P5.0 billion; and the Philippine National Police (PNP) Modernization Program P2.0 billion.
5. Integrity of the Environment and Climate Change Adaptation and Mitigation. The National Greening Program, P2.71 billion; Land and Cadastral Surveys, P3.57 billion; PAGASA Automation Program, P445 million; and the Laguna de Bay Institutional Strengthening and Community Participation, P485 million.

B. Increased spending on infrastructure, social protection and employee compensation, faster budget execution, along with a controlled fiscal deficit and interest payments level, stimulated growth

- The early enactment of the 2012 GAA allowed the department to release almost 50% of the FY 2012 budget to various departments, agencies, and units – 8% higher than 2011's comprehensive release (see Table 1). The budget was also executed faster with project implementation, including those of infrastructure, taking place at the start of the year; in 2011 this occurred in August.

Table 1
COMPARATIVE TABLE: Status of Releases
For January CY 2011 vs January CY 2012
(In Thousand Pesos)

Particulars	CY 2012 - RA 10155				CY 2011 - RA 10147			
	Program	Allotment Releases	% of Releases over Program	Balance	Program	Allotment Releases	% of Releases over Program	Balance
A. GAA	1,092,371,425	793,585,604	72.6%	298,785,821	933,479,272	612,575,642	65.6%	320,903,630
Departments	868,919,155	787,366,524	90.6%	81,552,631	767,889,614	610,345,768	79.5%	157,543,846
Special Purpose Funds	223,452,270	6,219,080	2.8%	217,233,190	165,589,658	2,229,874	1.3%	163,359,784
B. AUTOMATIC APPRO.	723,628,575	107,315,179	14.8%	616,313,396	711,520,728	82,404,195	11.6%	629,116,533
ORIGINAL PROGRAM	1,816,000,000	900,900,783	49.6%	915,099,217	1,645,000,000	694,979,837	42.2%	950,020,163
OTHER RELEASES	-	1,440,445		(1,440,445)	-	369,014		(369,014)
CONTINUING APPROPRIATIONS	-	1,440,455		(1,440,445)	-	361,309		(361,309)
UNPROGRAMMED FUND	-	-		-	-	7,705		(7,705)
TOTAL	1,816,000,000	902,341,238	49.7%	913,658,762	1,645,000,000	433,087,580	26.3%	1,211,912,420

Source: Budget Technical Service

- Account Management Teams assigned to monitor and engage the eight major departments (i.e., DPWH, DepEd, DA, DAR, DENR, DOH, DSWD and DOTC) improved disbursement performance by identifying key strategies for faster execution and implementation of programs and projects. Government units have been quick to utilize funds provided to them as indicated by the 96.7 percent NCA utilization rate in 2012 compared to 91.9 percent in 2011 (See Table 2). This was largely driven by the faster use of cash allocations in the fourth quarter, which significantly rose to 107.5 percent, almost 18.0 percentage points higher than the year-ago-quarter. Non-NCA disbursements, on the other hand, remained lower than program by P7.2 billion or 1.5 percent as of the end of the year.

Table 2
Comparison of NCA and Non-NCA Disbursements, Program vs. Actual, 2011-2012
in billion pesos

Particulars	January-December						
	2011		2012			2011 vs. 2012	
	Actual	Prog.	Actual	Deviation		Inc/(Dec)	
				Amount	%	Amount	%
NCA	1,148.0	1,367.9	1,313.1	(54.8)	(4.0)	165.1	14.4
% of Eff. NCA	91.9		96.7				
Non-NCA	409.7	471.9	464.7	(7.2)	(1.5)	55.0	13.4
Total	1,557.7	1,839.7	1,777.8	(62.0)	(3.4)	220.1	14.1
Source of basic data: Bureau of the Treasury							
Memo Items:							
Effective NCAs Issued net of Trust Liabilities, gross of Working Fund							
As of December		4th Quarter					
2011	1,248.9	2011	441.4				
2012	1,358.5	2012	418.3				
Allotment Releases							
As of December 2011	1,656.7	slightly higher than 2011 obligation program of P1,645.0 billion					
As of December 2012	1,873.0	higher than the 2012 obligation program of P1,816.0 billion as it includes releases from the Unprogrammed Fund and some items that are automatically appropriated					

Source: Budget Technical Service (BTS)

- Year-on-year, spending for 2012 rebounded from the modest growth in disbursement performance in the previous year, improving by 14.1 percent as compared to the 2.3 percent growth recorded in 2011. The drivers of this two-digit growth are the expansion in maintenance and other operating expenditures (MOOE), and infrastructure and other capital outlays (CO) (see Table 3). Likewise, support to GOCCs also increased compared to program, with Subsidy reaching P42.1 billion and Equity at P21.3 billion. Both are higher than program levels by P10.4 billion or 32.7 percent and P19.3 billion or 926.1 percent, respectively. Among the releases to GOCCs triggering growth in subsidy include that of GSIS for the Educational Fund of members' beneficiaries (P1.5 billion) and MWSS for the Angat Dam rehabilitation (P1.8 billion), operational requirements of NFA (P7.7 billion), Sitio electrification projects of NEA (P5.0 billion) and government subsidy for health insurance premium of indigents under the PHIC (P14.1 billion). On the other hand, the spike in equity is mainly attributed to the P20 billion equity infusion to BSP.

Particulars	January-December		Increase/Decrease	
	2011	2012	Amount	%
Current Oper. Exp.	1,289.5	1,411.0	121.5	9.4
PS	500.4	542.6	42.2	8.4
MOOE	201.2	256.7	55.5	27.6
Subsidy	45.8	42.1	(3.6)	(7.9)
Allotment to LGUs	229.6	218.6	(10.9)	(4.8)
IP	279.0	312.8	33.8	12.1
TEF	33.5	38.1	4.5	13.6
Capital Outlays	250.1	339.3	89.2	35.6
Infra & Other CO	159.1	250.8	91.7	57.7
Equity	12.9	21.3	8.5	65.6
Cap. Transfers to LGUs	70.2	67.2	(3.1)	(4.4)
CARP-LO	7.9	-	(7.9)	
Net Lending	18.1	27.4	9.4	51.9
TOTAL	1,557.7	1,777.8	220.1	14.1

- The growth in 2012 disbursement performance can be attributed to the following:
 1. Huge investments to finance country-wide infrastructure development such as roads and bridges rehabilitation/construction, enhancement of tourism access, as well as irrigation projects in support of the agriculture sector. These investments raised infrastructure and other capital spending rallied to reach P250.8 billion, up by P91.7 billion or 57.7 percent from last year's level of P159.1 billion.
 2. Expansion of social protection programs and other banner programs of major departments. The government stepped up the implementation of these programs and made significant releases for the Pantawid Pamilyang Pilipino Program or 4Ps (P39.4 billion) and Social Pension for Senior Citizens (P1.2 billion) under the DSWD. Nearly P8.0 billion was also released to fund various preparation activities of the COMELEC for the 2013 National Elections. Spending for the Cadastral Survey and National Greening Program of the DENR has also increased; more than P2.0 billion of their respective allotments were released. These funding releases increased maintenance expenditures increased by almost 28.0 percent, equivalent to P55.5 billion.
 3. Releases for the implementation of the last tranche of Salary Standardization Law III (SSL 3) and the requirements for the filling-up of vacant positions in the DILG and DepEd; for retirement gratuity and terminal leave, claims surpassed that of the previous year by almost P6.0 billion due to the increase in the number of personnel who availed of the retirement program under Executive Order (E.O.) No. 77; and remittance of P3.5 billion to GSIS as initial payment of the prior year's retirement premium of DepEd employees. On account of these releases, PS grew by P42.2 billion or 8.4 percent, ending up at P542.6 billion.
 4. Releases to cover the semi-annual interest payments due on bonds issued last January and higher volume of bond swaps. Interest payments amounted to P312.8 billion this year from last year's outturn of P279.0 billion. As percent share of full year disbursements, IP went down to 17.6 percent this year compared to 17.9 percent in 2011.

As a result of the remarkable disbursement performance, public expenditure was once again a driving force in the overall growth rate of 6.6 percent for 2012. Overall, Government Final Consumption Expenditure in 2012 increased by 11.8 percent from last year's 1.0 percent. Full year budget deficit

levelled off at P242.8 billion, with revenues reaching P1.535 trillion and disbursements at P1.778 trillion. The deficit is 2.3 percent of the country's Gross Domestic Product (GDP), outperforming the 2.6-percent programmed for 2012.

C. Public Expenditure Management (PEM) Reforms were implemented for greater efficiency in the allocation and use of public funds

- **Zero Based Budgeting (ZBB)** was once again implemented in order to help craft and implement a more disciplined and results-focused 2012 Budget. Through this process, existing programs that were identified as irrelevant or not aligned with the KRAs under the President's Social Contract and the Philippine Development Plan 2011-2016, as well as those that were inefficient and/or fraught with leakages were downscaled or totally discontinued.

In 2012, **seven (7) ZBB studies commissioned to the Philippine Institute for Development Studies were completed.** They presented issues and recommendations to improve operational efficiency in the implementation of major programs and projects:

- a. Assessment of Efficiency and Effectiveness of Cadastral Survey Program of the Department of Environment and Natural Resources (DENR) – made recommendations to the Land Management Bureau, especially regarding cadastral surveys and cooperation with LGUs;
- b. Assessment of Philippine Foreign Service Posts (FSPs) of the Department of Foreign Affairs (DFA) and Various Departments (DOLE, DND, DA, DSWD, DTI) - recommended the creation of a Knowledge Management system for DFA in general and the FSPs in particular; and intensive capacity building for Career Ministers and Ambassadors Extraordinary and Plenipotentiary on leadership and management, project management, and other related areas;
- c. Assessment of the Efficiency and Effectiveness of the Reforestation Program of the Department of Environment and Natural Resources (DENR) - recommended various improvements in National Greening Program. A Special Provision was included in the 2013 GAA requiring monitoring and evaluation of the physical performance of the program as a prerequisite for the release of its 2013 funding.
- d. Cost Efficiency and Effectiveness of the Sitio or Household Electrification Program - recommended regarding the targeting and evaluation of the program. DBM recommended the inclusion in the NEA/DOE action plan further improvement of the study by looking into the budget impact/measures to address the affordability issue of sustaining the electricity connection for impoverished households;
- e. Efficiency and Effectiveness Review of the Resettlement Program of the National Housing Authority (NHA) which recommended that the most effective and efficient approach to resettlement is a combined approach of in-city and incremental housing. DBM made their own recommendations regarding NHA policy and program logistics;
- f. Impact Assessment of the Agricultural Production Support Services of the Department of Agriculture (DA) on the Income of Poor Farmers/Fisherfolk – concluded that investment on infrastructure and not irrigation would have an impact on agricultural incomes and productivity. DBM recommended that the final study be presented to the DA for consideration in the ensuing 2014 budget preparation; and

- g. Review and Assessment of the Programs Offered by State Universities and Colleges which recommended that CHED enforce more vigorously its policy of closing existing programs of SUCs and PHEIs alike where these HEIs' performance is under par year after year to help rationalize program offerings of SUCs and improve quality of instruction.
- The DBM continued to employ the Medium-Term Expenditure Framework (MTEF) as a tool to link policies, plans and budget over a three-year rolling expenditure perspective and to improve predictability of funding. Through sound estimates of resources, the Aquino administration's priority programs and projects were provided with sufficient budgetary allocations to ensure their implementation and completion.
- The implementation of the Organizational Performance Indicator Framework (OPIF) was reviewed to refine the Major Final Outputs (MFOs) and Performance Indicators (PIs) of departments and agencies and the refinement of their Program-Activity-Project (PAP) structure. Initial reviews of six (6) big departments, i.e., DTI, DSWD, DBM, DOJ, DENR and DOST, were done in 2012. About 50 percent of all budget preparation and execution forms and reporting systems were simplified, developed and harmonized with OPIF.
- The DBM continued its battle against un-transparent and leakage-fraught lump sum funds by disaggregating the lump sum budgets of various agencies worth P150.5-billion into specific projects under the 2012 GAA, except for the Calamity Funds, the Quick Response Funds of certain agencies and other items that must be lump sum in nature. The move was aimed at promoting transparency in government and allowing agencies to measure outcomes of their spending.

II. Intensified Daylight in Governance: *transparency, accountability, and engagement with the people*

A. *DBM harnessed the power of new technology for greater transparency and accountability*

- Mandatory Budget Disclosures by Agencies. The DBM implemented the Transparency Seal provision (Section 93) of the General Appropriations Act of FY 2012 through the issuance of a National Budget Circular in the 3rd Quarter reiterating compliance with the Transparency Seal provision and providing additional details accessory to its implementation, and a Joint Memorandum Circular issued in the 4th Quarter, making compliance with the Transparency Seal provision a pre-condition for the award of the Performance-Based Bonus (PBB).

All departments, bureaus, offices, and agencies of the national government, including Government Owned and Controlled Corporations (GOCCs), State Universities and Colleges (SUCs), and Government Financial Institutions (GFIs) were required by Section 93 to post information on their approved budgets, annual procurement plans, project statuses, contracts awarded and the name of contractors/suppliers/consultants, and other relevant data under a Seal displayed prominently on their respective websites, which links to an index of the required documents.

- Transparent Bidding. As of December 2012, some 15,839 government agencies registered with Philippine Government Electronic Procurement System (PhilGEPS). These include NGAs, GOCCs, GFIs, SUCs, Provinces, Cities, Municipalities and Barangays. On the other hand, a total of 67,399 merchants registered with PhilGEPS, with 22,748 merchants actively securing PhilGEPS Certificates of Registration.

Transparency in procurement is enhanced through PhilGEPs since opportunities to trade with government and the ensuing transactions are provided online. Information on the winning bidder, the reason for award and the contract amount are all accessible through the system.

In 2012, some 357,142 bid opportunities with a value of P908.5 Billion were published by government procuring entities. It grew by 29.13% from the 276,559 opportunities worth P640.8 billion published in 2011.

- Interactive Citizen's Budget Website. The DBM developed and launched the Budget ng Bayan website, which serves as an interactive platform for citizens to learn about and find information on the National Budget and the budget process. The site endeavors to leverage new technology and the internet to foster meaningful citizen participation in the budget process by making it more intuitive and interactive.

Its features include the following:

- a. Budget 101: an illustrated and simplified discussion of the national budget process
- b. My Budget: a digital version of the 2012 People's Budget and the 2013 People's NEP
- c. Citizen's Portal: a space for citizens to raise and discuss budget-related concerns and suggestions

B. DBM leveraged technology and innovation to improve financial processes and improve accountability in governance

- Government-Wide Medium-Term Information and Communication Technology Harmonization Initiative (MITHI). Together with the Department of Science and Technology (DOST) and the National Economic and Development Authority (NEDA), the DBM launched in November 2012 the Medium-Term Information and Communications Technology Harmonization Initiative (MITHI), a program designed to increase inter-agency collaboration in the field of ICT infrastructure. Joint Memorandum Circular No. 2012-01 issued on November 28, 2012 informs participating agencies of their roles and responsibilities in the processes of MITHI for 2014 to 2016.

The MITHI approach is a consultative manner of crafting ICT projects and programs. Project ideas will be submitted by participating departments, agencies and government corporations and plans will be based on their respective ICT needs for the next three fiscal years. Through Plenary sessions, proposals will be harmonized and collaborations across agencies will be formed.

- Integrated Financial Management System. In 2012, DBM actively participated in the completion of the critical conceptual design work of the Government Integrated Financial Management Information System (GIFMIS), an integrated IT solution intended to collect and organize financial information in a central database to support budget management and financial reporting. The GIFMIS-PIU (Project Implementation Unit) is co-chaired by DBM and the Commission on Audit (COA).

Likewise, a new Unified Account Code Structure (UACS) was formulated, in coordination with COA, to harmonize the government accounts of both oversight departments and pave the way for more effective and streamlined financial reporting. The UACS Manual has been drafted and training sessions on the use of the harmonized coding structure were conducted for some 200 participants composed of budget officers, accountants and planning officers of implementing agencies.

The DBM also spearheaded the development of the Online Submission of Budget Preparation System (OSBPS) which will eventually be made compliant with the new UACS. The OSBPS will support the submission of budget proposals from the central offices of national government agencies through the internet in an effort to reduce the amount of physical transactions involved.

- Government Human Resource Information System and National Payroll System. The DBM played an active role in the development of a Government Human Resources Information System (GHRIS) and a National Payroll System (NPS) to better manage government manpower requirements and improve accountability in the disbursement of funds for personnel services. The GHRIS is a software implementation that consolidates and centralizes the human resource management of the National Government; the NPS is a core feature within GHRIS that will standardize, streamline, and centralize the payroll processes of the different national government agencies.

As of 2012, the following milestones have been accomplished:

- a. A GHRIS prototype was developed and tested on the six pilot agencies namely the Department of Budget and Management (DBM), the Commission on Audit (COA), the Department of Finance (DOF), the Bureau of Treasury (BTr), the Department of Science & Technology (DOST) - Advanced Science and Technology (ASTI) and the DOST – National Computer Center (NCC);
 - b. The Human Resource Personnel of the six (6) pilot agencies were trained;
 - c. Personnel Information, Payroll Processing Information, and other necessary data were gathered;
 - d. A Committee on the Payroll Standardization and Rationalization was formed. It submitted a draft on the proposed Payroll Standards, Policies and Procedures;
 - e. It was found that the prototype lacked the scalability, functionality, and flexibility to fully support the six pilot agencies and the entire national government;
 - f. A Commercial Off The Shelf solution (COTS) was determined as the best solution to the problem; and
 - g. A Request for Information (RFI) was conducted and suitable commercial software was found and evaluated.
- Registry System for Basic Sectors in Agriculture (RSBSA) for Targetting. The DBM, together with other major agencies namely the Department of Agriculture (DA), Department of Agrarian Reform (DAR), Department of Interior and Local Government (DILG), National Anti-Poverty Commission (NAPC), and the National Statistics Office (NSO) developed and implemented the RSBSA for a total of seventy-five provinces. The RSBSA is an electronic compilation of basic information on farmers, farm laborers and fishermen – the target beneficiaries of agriculture-related programs and services.

The registration activity covering the 20 pilot provinces was completed on January 2012. A total of 2,116,313 farmers, farm laborers, and fisher folk were registered in the pilot system. The data sets are available for use by government stakeholders. The conduct of a comprehensive Batch 2 registration activity for farmers, farm laborers, and fishermen was completed from October-November 2012. This will be ready for use by government stakeholders by July or August 2013.

- Electronic Transparency for Congressional Allocations and Lump Sum Funds (eTAILS). eTAILS was developed as a facility to particularize items under Special Allotment Release Orders (SARO) pertaining to the Priority Development Assistance Fund (PDAF), School Building Program (SBP), Internal Revenue Allotment (IRA), and other lump sum funds.

In 2012, the PDAF module went live, i.e., releases are processed through the DBM eTAILS System and the data published on the website are directly pulled from actual releases. The PDAF module could be accessed through www.dbm.gov.ph by clicking on the E-Fund Releases tab, then the PDAF link. The IRA transaction module was then developed and tested, and now ready for implementation.

III. Strengthened Integrity and Performance in the Public Sector: *developing results- and accountability-driven public institutions*

A. Harmonization of Government Performance Measurement Systems

In coordination with inter-agency member agencies composed of the Office of the Executive Secretary, Presidential Management Staff, NEDA, DOF and Development Academy of the Philippines, a single Results-Based Performance Management System (RBPMS), harmonizing the currently-disparate performance monitoring and reporting systems among national government departments and agencies, was developed. Specific outputs of this project for 2012 included:

- Development of a unified results-based performance management framework;
- Establishment of a common performance scorecard as basis for monitoring, evaluation and reporting public agency performance;
- Design of a system that would provide easy access to accurate and latest whole-of-government, sectoral, MFOs/organizational performance information; and
- The development and implementation of a performance-based incentive system for government employees to motivate higher performance and greater accountability in the public sector, as well as ensure the accomplishment of commitments and targets under the five (5) KRAs

B. Implementation of the Performance-Based Bonus (PBB)

2012 saw the first year implementation of a performance-based incentive system for government employees expected to motivate higher performance and greater accountability. Executive Order No. 80 issued by the President on July 20, 2012 directed the adoption of a Performance-Based Incentive System (PBIS) for Government Employees. The PBIS aims to enhance government's service delivery by linking individual performance to the bureau or delivery unit's performance and recognizing and rewarding exemplary performance. Under this system, two incentives may be given to government employees – (1) the Performance-Based Bonus (PBB), and the (2) Productivity Enhancement Incentive (PEI). The latter is given across-the-board regardless of actual (individual) performance. However, since its provision depends on the level of savings incurred and authorized by the national government, the amount given per employee has varied through the years.

A key feature of the proposed PBB is a rationalized distribution of incentives according to performance categories of groups and individuals. In particular, there will be three categories of groups that will be eligible for the PBB– Good Bureau, Better Bureau and Best Bureau. Within the bureaus, there will also be three categories of individual performance that will be eligible for the incentive – Good Performer, Better Performer and Best Performer. The Best Performer from the Best Bureau will get a top up of P35,000; P25,000 for those in the Better Bureau; and P15,000 for those in Good Bureau. The Better Performer from Best Bureau will get P20,000; P13,500 for those from Better Bureau; and P10,000 for

those from Good Bureau. The Good Performer from the Best Bureaus will be given the top up bonus of P10,000; P7,000 for Better Bureaus and P5,000 for Good Bureaus.

C. Roll-out of Internal Audit and Internal Controls

The DBM rolled out the Philippine Government Internal Audit Manual (PGIAM) and the National Guidelines on Internal Control System (NGICS) in critical departments. This is in line with the target to require all agencies adopt the PGIAM and NGICS by 2016.

For 2012, various forums and briefings were conducted for various Departments, including the Civil Service Commission and the National Police Commission. Workshops and pilot-testing of the Trainers' Manuals were held to enhance the Manuals and further improve the presentation skills of the trainers. Accordingly, the Training Manuals were finalized by the DBM, together with the COA, the Office of the President-Internal Audit Office (OP-IAO) and the DAP, in time for the resumption of the orientation on the overview of the PGIAM/NGICS.

D. Embed Accountability in Local Public Financial Management

The DBM developed the Public Financial Management Assessment Tool for Local Government Units (PFMAT), a self-assessment and evidence-based tool with diagnostic capability to help LGUs identify the strengths and weaknesses in their PFM system and adopt measures to improve their existing system. The PFMAT is currently being used with the Bottom-up Budgeting (BuB) approach, and after extensive pilot-testing is being improved further.

E. Improved Citizen's Charters

DBM issued an updated Citizen's Charter and posted it on the DBM website. Guided by the principles of transparency, accountability and good governance, the new DBM Citizen's Charter streamlined and further improved the presentation of DBM services for clearer understanding by its key clients.

IV. Greater and Wider Spaces for Citizen's Participation in the Budget Process

A. Expanded Participatory Budgeting

Agency-Civil Society Budget Partnerships were expanded with the issuance of National Budget Circular (NBC) No. 536, "Guidelines on Partnership with Civil Society Organizations and Other Stakeholders in the Preparation of Agency Budget Proposals" on January 31, 2012. The guidelines reaffirmed DBM's commitment to institutionalize participatory budgeting. And set the parameters for the participation of CSOs and other stakeholders in budget formulation process, through the forging of a Budget Partnership Agreement (BPA) with government agencies. As a result, an additional six (6) NGAs and three (3) GOCCs were instructed to undertake CSO consultation for the preparation of their FY 2013 budgets, namely: DENR, DILG, DOJ, DOLE, DOT, DOTC, Light Rail Transit Authority, National Electrification Administration, and National Irrigation Administration. Likewise, National Budget Circular 539 issued on March 21, 2012 broadened the existing constructive partnership with the CSOs by expanding CSO engagement not only in budget formulation but also in budget execution.

B. Bottom-Up Participatory Planning and Budgeting

The Bottom-Up Budgeting Approach was introduced, where 609 poorest municipalities nationwide were targeted to identify their needed services in a consultative process with community organizations. The consultation resulted in the identification of 595 poorest cities and municipalities and the inclusion of P8.4 billion worth of locally-developed programs and projects, directed at addressing poverty in the 2013 budget. These community-determined priority projects, to be implemented by national government agencies, included basic education, public healthcare, potable water, social protection, community electrification, agriculture and fisheries support and reforestation.

MOVING FORWARD

Two years since the Aquino administration started its journey towards *daang matuwid*, a number of public expenditure reforms have been pursued to put daylight in governance, particularly in the way public resources are managed. Several of these reforms as stated in this Report are already bearing fruits. But while we are already enjoying the dividends of these reforms, there is still much to do be done to make these worthy endeavors irreversible. And, that is among the challenges we have to face in the coming years.

On the public expenditure side, DBM will continue to transform the budget to make it more transparent and performance-based. We will also sustain the adoption of PEM reforms to ensure that resources are spent on the right things. Civil society engagement in the budgeting process will be expanded to empower the Filipino people and enable them to have a sense of ownership of the national budget.

On the governance side, we will continue to work hand in hand with oversight agencies concerned to ensure that the GIFMIS is operational by 2016. GIFMIS is crucial as it will help in the fast generation of reliable and accurate financial reports vital for decision-making.

Annex

2012 Financial Statements of DBM

STATEMENT OF ALLOTMENT, OBLIGATIONS AND BALANCES

As of December 31, 2012

In Pesos

Department : Department of Budget and Management

Agency/OU : Office of the Secretary - **CONSOLIDATED**

Fund : 101

ALLOTMENT CLASS/OBJECT OF EXPENDITURE (1)	ALLOTMENT (2)	Obligations Incurred		Unobligated Balance of Allotment (5)=(2)-(4)	Remarks (6)
		This Report (3)	To Date (4)		
CURRENT YEAR BUDGET					
PERSONAL SERVICES	330,477,527.00	23,709,238.93	329,278,493.41	1,199,033.59	
Salaries and Wages	235,511,862.00	16,272,282.28	234,618,501.52	893,360.48	
Salaries (Permanent Positions)	228,614,255.00	15,967,693.23	227,720,896.04	893,358.96	
Salaries (Non-Permanent Positions)	6,897,607.00	304,589.05	6,897,605.48	1.52	
Other Compensation:	94,965,665.00	7,436,956.65	94,659,991.89	305,673.11	
PERA	18,391,859.00	1,522,790.94	18,365,229.12	26,629.88	
PERA- Contractuals	883,001.00	81,000.00	882,999.99	1.01	
Representation Allowance	9,368,769.00	789,500.00	9,303,763.46	65,005.54	
Transportation Allowance	6,811,473.00	575,329.38	6,714,877.96	96,595.04	
Clothing Allowance	3,208,000.00	6,000.00	3,208,000.00	-	
Clothing Allowance- Contractuals	190,000.00	10,000.00	190,000.00	-	
Productivity Incentive Benefit	1,521,000.00	40,000.00	1,521,000.00	-	
Productivity Incentive Benefit - Contractuals	52,000.00	-	52,000.00	-	
Other Bonuses and Allowances	28,000.00	-	28,000.00	-	
Honoraria	467,270.00	201,235.00	467,269.31	0.69	
Hazard Pay	151,200.00	151,200.00	151,200.00	-	
Overtime and Night Pay	14,724,440.00	2,394,735.47	14,724,377.74	62.26	
Overtime and Night Pay-Contractuals	1,922,412.00	255,833.04	1,922,411.87	0.13	
Cash Gift	3,870,121.00	(1,750.00)	3,865,120.85	5,000.15	
Cash Gift- Contractuals	197,875.00	-	197,875.00	-	
Christmas Bonus	19,958,176.00	(306,590.10)	19,852,162.63	106,013.37	
Christmas Bonus- Contractuals	611,583.00	-	611,582.65	0.35	
Pag-I.B.I.G. Contributions	925,571.00	76,262.50	923,070.97	2,500.03	
Pag-I.B.I.G. Contributions - Contractuals	43,900.00	4,000.00	43,900.00	-	
Health Insurance Premiums	2,366,741.00	266,151.50	2,366,364.09	376.91	
Health Insurance Premiums.-Contractuals	74,285.00	7,597.50	74,285.00	-	
Employees Compensation Insurance Premium	931,749.00	78,600.00	929,427.21	2,321.79	
Employees Compen. Insurance Prems. -Contractuals	43,792.00	4,500.00	43,791.93	0.07	
Terminal Leave Benefits	250,393.00	98,948.93	250,390.45	2.55	
Other Personnel Benefits	7,972,055.00	1,181,612.49	7,970,891.66	1,163.34	
Loyalty Award	1,270,640.00	70,000.00	1,270,640.00	-	
Loyalty Award -Contractual	10,000.00	-	10,000.00	-	
Monetization of Leave Credits	6,550,227.00	1,111,612.49	6,549,064.07	1,162.93	
Monetization of Leave Credits - Contractuals	121,188.00	-	121,187.59	0.41	
Retirement Award	20,000.00	-	20,000.00	-	
MAINTENANCE AND OTHER OPERATING EXPENSES	390,586,761.00	18,809,573.14	192,468,667.59	198,118,093.41	
Travelling Expenses					
Local Travel	18,785,040.00	840,438.07	11,683,762.80	7,101,277.20	
Foreign Travel	2,186,856.00	-	2,088,723.54	98,132.46	
Training and Scholarship Expenses					
Training Expenses	9,161,700.00	868,884.50	5,846,526.33	3,315,173.67	
Supplies and Materials Expenses					
Office Supplies Expenses	16,052,258.00	480,180.23	6,995,096.13	9,057,161.87	
Accountable Forms Expenses	1,192,061.00	5,680.00	1,192,061.00	-	
Drugs and Medicine Expenses	60,532.00	531.50	1,126.50	59,405.50	
Gasoline, Oil and Lubricant Expenses	11,065,060.00	250,168.58	5,838,252.41	5,226,807.59	
Textbooks and Instructional Materials	4,797.00	-	4,796.60	0.40	
Other Supplies Expenses	4,239,899.00	292,533.50	2,415,685.29	1,824,213.71	
Utility Expenses					
Water Expenses	5,825,768.00	71,858.71	2,194,639.84	3,631,128.16	
Electricity Expenses	37,746,930.00	(6,422,790.80)	20,336,532.78	17,410,397.22	
Cooking Gas Expenses	3,030.00	-	3,030.00	-	
Communication Expenses					
Postage and Deliveries	1,743,786.00	88,991.10	839,248.40	904,537.60	
Telephone Expenses- Landline	8,472,964.00	184,326.63	3,228,049.72	5,244,914.28	
Telephone Expenses- Mobile	5,163,210.00	82,334.59	2,020,960.11	3,142,249.89	
Internet Expenses	715,945.00	36,645.16	593,945.86	121,999.14	
Cable, Sat., Teleg. & Radio Exps.	119,291.00	6,265.00	69,290.00	50,001.00	

ALLOTMENT CLASS/OBJECT OF EXPENDITURE (1)	ALLOTMENT (2)	Obligations Incurred		Unobligated Balance of Allotment (5)=(2)-(4)	Remarks (6)
		This Report (3)	To Date (4)		
Membership Dues and Contributions to Organizations	50,650.00	2,600.00	50,650.00	-	
Advertising Expenses	2,106,092.00	706,313.60	2,106,091.00	1.00	
Printing and Binding Expenses	10,668,358.00	(10,933,015.20)	67,704.00	10,600,654.00	
Rent Expenses	6,626,403.00	142,116.85	5,868,077.20	758,325.80	
Representation Expenses	16,973,944.00	655,916.45	9,070,289.06	7,903,654.94	
Transportation and Delivery Expenses	172,882.00	11,813.50	68,843.34	104,038.66	
Subscription Expenses	769,470.00	15,210.65	482,353.05	287,116.95	
Professional Services		-	-		
Legal Services	9,640.00	550.00	9,040.00	600.00	
Auditing Services	329,637.00	13,140.64	329,636.05	0.95	
Consultancy Services	162,544,194.00	37,169,947.00	67,535,795.92	95,008,398.08	
General Services	3,508,944.00	200,513.21	2,659,101.56	849,842.44	
Janitorial Services	15,608,595.00	650,802.08	13,376,152.65	2,232,442.35	
Security Services	16,343,397.00	(7,716,217.72)	6,551,624.14	9,791,772.86	
Other Professional Services	11,940,030.00	198,879.29	6,682,942.13	5,257,087.87	
Repairs and Maintenance		-	-		
Office Buildings	1,555,411.00	326,465.79	727,065.74	828,345.26	
Office Equipment	1,754,134.00	(15,125.00)	1,179,309.76	574,824.24	
Furnitures and Fixtures	632,743.00	570.00	32,743.00	600,000.00	
IT Equipment	567,449.00	11,370.00	274,909.79	292,539.21	
Communications Equipment	51,200.00	-	4,950.00	46,250.00	
Firefighting Equipment & Accessories	1,500.00	-	1,500.00	-	
Other Machineries and Equipment	2,800.00	-	2,800.00	-	
Motor Vehicles	6,082,051.00	131,056.31	2,855,023.41	3,227,027.59	
Other Property, Plant and Equipment	161,157.00	89,800.00	161,157.00	-	
Subsidies and Donations					
Donations	187,100.00	187,100.00	187,100.00	-	
Extraordinary and Miscellaneous Expenses					
Extraordinary Expenses	2,021,134.00	51,158.63	1,679,506.89	341,627.11	
Miscellaneous Expenses	3,015,362.00	99,519.20	2,497,158.02	518,203.98	
Taxes, Insurance Premiums and Other Fees					
Taxes, Duties and Licenses	222,336.00	2,229.06	193,481.22	28,854.78	
Fidelity Bond Premiums	745,815.00	3,375.00	564,274.59	181,540.41	
Insurance Expenses	3,355,941.00	17,137.03	1,871,545.76	1,484,395.24	
Bank Charges	39,265.00	300.00	26,115.00	13,150.00	
CAPITAL OUTLAYS	92,059,000.00	4,898,263.66	16,651,082.93	75,407,917.07	
Buildings and Structures Outlay	10,713,854.00	1,930,329.35	7,389,931.10	3,323,922.90	
Building	10,713,854.00	1,930,329.35	7,389,931.10	3,323,922.90	
Office Equipment, Furnitures and Fixtures	77,354,104.00	2,521,915.56	6,304,949.30	71,049,154.70	
Office Equipment	3,045,554.00	1,282,778.85	1,560,896.21	1,484,657.79	
Furnitures and Fixtures	731,490.00	478,764.51	662,361.51	69,128.49	
IT Equipment and Software	72,917,750.00	370,572.00	3,613,891.58	69,303,858.42	
Library Books	185,000.00	(42,199.80)	-	185,000.00	
Communication Equipment	474,310.00	432,000.00	467,800.00	6,510.00	
Transport Equipment	1,830,332.00	-	1,830,331.58	0.42	
Motor Vehicles	1,830,332.00	-	1,830,331.58	0.42	
Other Property, Plant and Equipment	2,160,710.00	446,018.75	1,125,870.95	1,034,839.05	
Other Property, Plant and Equipment	2,160,710.00	446,018.75	1,125,870.95	1,034,839.05	
Total- Regular Appropriations	813,123,288.00	47,417,075.73	538,398,243.93	274,725,044.07	
SPECIAL PURPOSE FUNDS					
Miscellaneous Personnel Benefits Fund (MPBF)	70,137,481.00	13,499,640.86	69,369,719.92	767,761.08	
PERSONAL SERVICES	70,137,481.00	13,499,640.86	69,369,719.92	767,761.08	
Salaries	59,640,674.00	8,825,892.52	58,872,934.58	767,739.42	
Contractual Salaries	409,742.00	409,741.84	409,741.84	0.16	
Clothing Allowance	726,000.00	35,000.00	726,000.00	-	
Christmas Bonus	5,336,313.00	296,075.00	5,336,312.00	1.00	
Health Insurance Premiums	105,252.00	14,431.50	105,231.50	20.50	
Employees Comp. Insurance Premium	1,000.00	-	1,000.00	-	
Productivity Enhancement Incentive	3,918,500.00	3,918,500.00	3,918,500.00	-	

ALLOTMENT CLASS/OBJECT OF EXPENDITURE (1)	ALLOTMENT (2)	Obligations Incurred		Unobligated Balance of Allotment (5)=(2)-(4)	Remarks (6)
		This Report (3)	To Date (4)		
Retirement Benefits Fund (Pension and Gratuity Fund (PGF))	63,470,740.00	4,419,861.69	62,344,976.95	1,125,763.05	
Retirement Gratuity	8,606,787.00	-	8,366,835.85	239,951.15	
Terminal Leave	7,519,891.00	242,864.88	7,301,000.99	218,890.01	
Incentive Benefit	41,706,220.00	2,444,497.92	41,105,875.23	600,344.77	
Monetization of Leave Credits	5,637,842.00	1,732,498.89	5,571,264.88	66,577.12	
Total-Special Purpose Funds	133,608,221.00	17,919,502.55	131,714,696.87	1,893,524.13	
AUTOMATIC APPROPRIATION					
PERSONAL SERVICES					
Retirement and Life Insurance Premiums	35,881,587.00	3,106,556.69	35,495,680.77	385,906.23	
TOTAL- CURRENT APPROPRIATION	982,613,096.00	68,443,134.97	705,608,621.57	277,004,474.43	
PRIOR YEAR'S BUDGET					
CONTINUING APPROPRIATION					
PERSONAL SERVICES	17,361,168.00	-	17,361,168.00	-	
Other Compensation:	17,361,168.00	-	17,361,168.00	-	
Other Personnel Benefits	17,361,168.00	-	17,361,168.00	-	
Collective Negotiation Agreement	16,632,264.00	-	16,632,264.00	-	
Collective Negotiation Agreement -Contractual	728,904.00	-	728,904.00	-	Realigned from MOOE - RA 10147
MAINTENANCE AND OTHER OPERATING EXPENSES	170,924,265.45	103,140,652.15	170,914,581.14	9,684.31	
Travelling Expenses					
Local Travel	1,833,994.62	328,644.74	1,833,767.45	227.17	
Foreign Travel	1,104,136.88	11,136.56	1,104,134.45	2.43	
Training and Scholarship Expenses	-	-	-	-	
Training Expenses	2,542,850.51	1,684,863.98	2,542,829.11	21.40	
Supplies and Materials Expenses					
Office Supplies Expenses	10,681,315.20	9,621,153.75	10,680,592.47	722.73	
Accountable Forms Expenses	6,500.50	-	6,500.00	0.50	
Drugs and Medicine Expenses	1,607.40	-	1,604.75	2.65	
Gasoline, Oil and Lubricant Expenses	1,213,735.71	750,745.63	1,213,316.00	419.71	
Other Supplies Expenses	697,953.27	246,897.58	697,458.46	494.81	
Utility Expenses					
Water Expenses	299,535.35	183,934.85	298,947.29	588.06	
Electricity Expenses	10,439,409.47	9,152,203.63	10,439,022.62	386.85	
Cooking Gas Expenses	3,290.00	-	3,290.00	-	
Communication Expenses					
Postage and Deliveries	455,313.18	349,621.00	455,178.55	134.63	
Telephone Expenses- Landline	639,617.61	175,955.57	638,551.21	1,066.40	
Telephone Expenses- Mobile	370,496.05	185,604.24	370,443.02	53.03	
Internet Expenses	2,023,925.05	1,910,552.00	2,023,915.32	9.73	
Cable, Sat., Teleg. & Radio Exps.	11,981.12	550.00	11,980.00	1.12	
Advertising Expenses	733,891.00	583,142.40	733,890.80	0.20	
Printing and Binding Expenses	12,318,742.35	12,314,401.00	12,318,741.00	1.35	
Rent Expenses	353,428.91	-	352,566.90	862.01	
Representation Expenses	3,369,291.58	1,340,346.14	3,368,528.65	762.93	
Transportation and Delivery Expenses	1,769.66	-	1,769.16	0.50	
Subscription Expenses	66,791.70	40,922.00	66,722.00	69.70	
Professional Services					
Legal Services	5,680.25	-	5,680.00	0.25	
Auditing Services	91,461.07	67,334.39	91,459.87	1.20	
Consultancy Services	96,313,760.66	52,194,356.40	96,313,759.81	0.85	
General Services	494,124.82	89,918.88	492,588.91	1,535.91	
Sanitorial Services	1,384,594.76	301,657.22	1,383,767.46	827.30	
Security Services	9,655,164.34	8,469,808.29	9,655,155.62	8.72	
Other Professional Services	7,003,022.29	1,029,662.96	7,002,177.96	844.33	

ALLOTMENT CLASS/OBJECT OF EXPENDITURE (1)	ALLOTMENT (2)	Obligations Incurred		Unobligated Balance of Allotment (5)=(2)-(4)	Remarks (6)
		This Report (3)	To Date (4)		
Repairs and Maintenance	-			-	
Office Buildings	1,439,188.34	186,540.11	1,439,175.58	12.76	
Office Equipment	68,948.60	40,525.00	68,844.12	104.48	
Furnitures and Fixtures	365,015.75	365,015.00	365,015.00	0.75	
IT Equipment	100,128.89	-	100,128.00	0.89	
Motor Vehicles	308,579.04	208,904.00	308,513.33	65.71	
Subsidies and Donations					
Donations	456,350.00	446,100.00	456,350.00	-	
Extraordinary and Miscellaneous Expenses					
Extraordinary Expenses	288,862.74	240,190.50	288,861.50	1.24	
Miscellaneous Expenses	400,500.68	316,500.00	400,500.00	0.68	
Taxes, Insurance Premiums and Other Fees					
Taxes, Duties and Licenses	4,876.82	567.00	4,662.20	214.62	
Fidelity Bond Premiums	228,787.00	90,000.00	228,753.75	33.25	
Insurance Expenses	3,127,402.28	212,897.33	3,127,198.82	203.46	
Bank Charges	18,240.00	-	18,240.00	-	
CAPITAL OUTLAYS	38,890,600.00	28,064,966.48	38,881,045.02	9,554.98	
Office Equipment, Furnitures and Fixtures	31,414,663.00	28,062,029.48	31,405,108.02	9,554.98	
Office Equipment	171,262.00	16,631.68	170,830.76	431.24	
Furnitures and Fixtures	6,237,581.00	6,000,000.00	6,237,580.46	0.54	
IT Equipment and Software	24,949,558.00	22,057,458.00	24,949,558.00	-	
Library Books	43,439.00	42,199.80	43,438.80	0.20	
Communication Equipment	9,123.00	(54,260.00)	-	9,123.00	
Medical, Dental & Laboratory Equipment	3,700.00	-	3,700.00	-	
Transport Equipment	7,464,600.00	-	7,464,600.00	-	
Motor Vehicles	7,464,600.00	-	7,464,600.00	-	
Other Property, Plant and Equipment	11,337.00	2,937.00	11,337.00	-	
Other Property, Plant and Equipment	11,337.00	2,937.00	11,337.00	-	
Total Continuing Appropriation	227,176,033.45	131,205,618.63	227,156,794.16	19,239.29	
GRAND TOTAL Fund 101	1,209,789,129.45	199,648,753.60	932,765,415.73	277,023,713.72	

Prepared by:

Jeanne V. Importante
 JEANNE TERESITA V. IMPORTANTE
 Supervising Administrative Officer

Certified Correct:

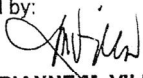
Ed Pangilinan
 EDEN D. PANGILINAN
 Chief Administrative Officer

STATEMENT OF ALLOTMENT, OBLIGATIONS AND BALANCES
As of December 31, 2012 (Revised)

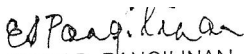
Department : Department of Budget and Management
Agency/OU : Office of the Secretary - Consolidated
Fund : 103 LGUs

Particulars	Allotment	Obligations Incurred		Unobligated Balance
		This Report	To date	
A. CURRENT APPROPRIATION	296,743,302,154.42	24,710,125,302.45	295,381,821,559.55	1,361,480,594.87
ARMM Regular Budget	468,944,232.00	38,872,304.00	468,944,232.00	-
RLIP - Employees' Share (ARMM-Dep Ed)	430,071,928.00		430,071,928.00	-
Miscellaneous Personnel Benefit Fund				
RLIP - Employees' Share (ARMM-Dep Ed)	38,872,304.00	38,872,304.00	38,872,304.00	-
Retirement Benefits Fund (Personnel Gratuity Fund)	537,160,113.00	34,154,631.45	537,160,076.30	36.70
Terminal Leave Benefits	135,791,910.00	4,986,047.45	135,791,881.60	28.40
Retirement Gratuity	3,316,755.00	-	3,316,755.00	-
Monetization of Leave Credits	398,051,448.00	29,168,584.00	398,051,439.70	8.30
Internal Revenue Allotment	273,344,009,898.00	22,775,649,273.00	273,342,857,075.00	1,152,823.00
IRA Regular	271,296,368,195.00	22,612,908,273.00	271,295,215,372.00	1,152,823.00
5% contribution of Metro Manila mayors to MMDA	1,944,388,000.00	162,741,000.00	1,944,388,000.00	-
Loan amortization of LGUs to MDFO	103,253,703.00		103,253,703.00	-
Allocations to Local Government Units	15,638,115,541.42	1,021,923,496.00	14,563,827,088.25	1,074,288,453.17
Special Shares of LGUs in the Proceeds of Natl. Taxes	13,943,609,751.42	687,399,713.00	12,917,521,298.25	1,026,088,453.17
IRA Differential	3,735,246,756.00	-	3,735,238,359.00	8,397.00
Unprogrammed IRA	462,430,269.00	-	462,418,865.00	11,404.00
Virginia Tobacco Excise Tax	5,636,615,325.00	144,977,546.00	5,350,726,291.00	285,889,034.00
Burley & Native Tobacco Excise Tax	1,976,568,697.00	25,743,681.00	1,272,850,888.00	703,717,809.00
Share in Utilization & Devt. of National Wealth	1,973,610,650.42	516,678,486.00	1,937,148,841.25	36,461,809.17
Share in the Gross Income taxes (ECOZONES)	85,000,000.00	-	85,000,000.00	-
Share in Value Added Tax	74,138,054.00	-	74,138,054.00	-
Financial Subsidy to Local Government Units	1,694,505,790.00	334,523,783.00	1,646,305,790.00	48,200,000.00
Financial Subsidy to LGUs	1,393,648,290.00	578,752,683.00	1,345,448,290.00	48,200,000.00
Financial Assistance	300,857,500.00	96,387,500.00	300,857,500.00	-
Disbursement Acceleration Program	-	(340,616,400.00)	-	-
Calamity Fund	541,446,990.00	37,000,000.00	431,223,495.00	110,223,495.00
Priority Development Assistance Fund (PDAF)	6,213,625,380.00	802,525,598.00	6,037,809,593.00	175,815,787.00
B. AUTOMATIC APPROPRIATION				
RLIP - Employer's Share (ARMM-Dep Ed)	624,129,099.00	53,432,692.00	624,129,099.00	-
C. CONTINUING APPROPRIATION	3,190,971,237.00	(80,576,706.00)	3,190,971,236.39	0.61
Allocations to Local Government Units	1,092,208,101.00	(229,485,749.00)	1,092,208,100.39	0.61
Special Shares of LGUs in the Proceeds of Natl. Taxes	318,979,101.00	(261,185,749.00)	318,979,100.39	0.61
Virginia Tobacco Excise Tax	-	(206,742,926.00)	-	-
Burley & Native Tobacco Excise Tax	9,824,729.00	(59,214,975.00)	9,824,729.00	-
Share in Utilization & Devt. of National Wealth	297,151,949.00	4,772,152.00	297,151,948.39	0.61
Share in the Gross Income taxes (ECOZONES)	12,002,423.00	-	12,002,423.00	-
Financial Subsidy to Local Government Units	773,229,000.00	31,700,000.00	773,229,000.00	-
Disbursement Acceleration Program	15,700,000.00	(330,729,000.00)	15,700,000.00	-
Financial Subsidy to LGUs	628,629,000.00	356,429,000.00	628,629,000.00	-
Financial Assistance	128,900,000.00	6,000,000.00	128,900,000.00	-
Calamity Fund	85,058,652.00	42,926,152.00	85,058,652.00	-
Priority Development Assistance Fund (PDAF)	2,013,704,484.00	105,982,891.00	2,013,704,484.00	-
Grand Total	300,558,402,490.42	24,682,981,288.45	299,196,921,894.94	1,361,480,595.48

Prepared by:


MARIANNE M. VILLA
Administrative Officer IV

Certified Correct:


EDEN D. PANGILINAN
Chief Administrative Officer

STATEMENT OF ALLOTMENT, OBLIGATIONS AND BALANCES (Revised)

As of December 31, 2012

Department : Department of Budget and Management

Agency/OU : Office of the Secretary (Consolidated)

Fund : 171

ALLOTMENT CLASS/OBJECT OF EXPENDITURE (1)	ALLOTMENT (2)	Obligations Incurred		Unobligated Balance of Allotment (5)=(2)-(4)	Remarks (6)
		This Report (3)	To Date (4)		
AUTOMATIC APPROPRIATIONS					
Grant Proceeds					
CURRENT APPROPRIATION					
NZAID - Public Sector Institutional Strengthening Program/Program on Rationalizing and Improving Public Service Delivery/Governance Reform Technical Assistance Facility (PSISP/PRIPSD/GRTAF) - New Zealand	808,568.00	81,003.37	589,993.18	218,574.82	
MAINTENANCE AND OTHER OPERATING EXPENSES	808,568.00	81,003.37	589,993.18	218,574.82	
Training and Seminar Expenses	93,750.00	-	93,750.00	-	
Other Professional Services	714,818.00	81,003.37	496,243.18	218,574.82	
EC Budget Support Grant for Health Sector Program EU (ASIE/2005-017-638)	50,134,817.00	359,452.83	38,800,178.60	11,334,638.40	
MAINTENANCE AND OTHER OPERATING EXPENSES	49,612,817.00	345,752.83	38,310,429.60	11,302,387.40	
Central Office	15,873,735.00	7,247.25	10,819,620.09	5,054,114.91	
Travelling Expenses - Local	52,099.00	-	47,885.88	4,213.12	
Travelling Expenses - Foreign	398,324.00	-	398,323.40	0.60	
Training and Seminar Expenses	13,418,926.00	6,048.00	8,453,643.10	4,965,282.90	
Office Supplies Expenses	88,595.00	1,199.25	25,503.00	63,092.00	
Gasoline, Oil and Lubricants Expenses	8,000.00	-	8,000.00	-	
Other Supplies Expenses	5,000.00	-	5,000.00	-	
Water Expenses	1,378.00	-	1,378.00	-	
Communication Expenses (Mobile)	10,000.00	-	-	10,000.00	
Printing & Binding Expenses	286,075.00	-	278,795.00	7,280.00	
Representation Expenses	42,573.00	-	42,572.16	0.84	
Consultancy Services	52,600.00	-	52,600.00	-	
Other Professional Services	1,508,386.00	-	1,504,141.05	4,244.95	
Fidelity Bond Premiums	563.00	-	562.50	0.50	
Bank Charges	1,216.00	-	1,216.00	-	
Regional Office	33,739,082.00	338,505.58	27,490,809.51	6,248,272.49	
Travelling Expenses - Local	3,605,415.00	106,233.00	1,260,162.98	2,345,252.02	
Training and Seminar Expenses	5,156,024.00	263,094.22	3,861,262.21	1,294,761.79	
Office Supplies Expenses	1,097,663.00	172,583.98	778,165.61	319,497.39	
Accountable Forms Expense	608.00	-	608.00	-	
Gasoline, Oil and Lubricants Expenses	285,355.00	(11,880.82)	24,600.53	260,754.47	
Other Supplies Expenses	58,400.00	399.65	831.65	57,568.35	
Telephone Expenses - Landline	100,000.00	-	8,304.84	91,695.16	
Telephone Expenses - Mobile	335,911.00	16,786.25	107,495.46	228,415.54	
Printing & Binding Expenses	69,450.00	2,475.00	4,925.00	64,525.00	
Postage & Deliveries Expenses	33,359.00	-	10,001.28	23,357.72	
Rent Expenses	5,000.00	-	-	5,000.00	
Representation Expenses	3,737,260.00	(211,185.70)	2,251,805.90	1,485,454.10	
Transportation and Delivery Expenses	74,637.00	-	2,646.05	71,990.95	
Subsidy to LGUs	19,180,000.00	-	19,180,000.00	-	
CAPITAL OUTLAYS	522,000.00	13,700.00	489,749.00	32,251.00	
I.T. Equipment & Software	487,391.00	4,500.00	469,200.00	18,191.00	
Communication Expenses	25,409.00	-	11,349.00	14,060.00	
Other Property, Plant & Equipment	9,200.00	9,200.00	9,200.00	-	

STATEMENT OF ALLOTMENT, OBLIGATIONS AND BALANCES (Revised)

As of December 31, 2012

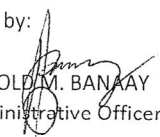
Department : Department of Budget and Management

Agency/OU : Office of the Secretary (Consolidated)

Fund : 171

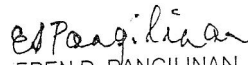
ALLOTMENT CLASS/OBJECT OF EXPENDITURE	ALLOTMENT	Obligations Incurred		Unobligated Balance of Allotment	Remarks
		This Report	To Date		
(1)	(2)	(3)	(4)	(5)=(2)-(4)	(6)
Agencia Española de Cooperacion International Para El Desarrollo (AECID) in Poor Communities through Localized Procurement Reform-Part B (AECID MOA-7-29-09)	150,631,466.00	-	150,631,466.00	-	
MAINTENANCE AND OTHER OPERATING EXPENSES	150,631,466.00	-	150,631,466.00	-	
Subsidy to LGUs	150,631,466.00	-	150,631,466.00	-	
Region 5	96,378,207.00	-	96,378,207.00	-	
Region 9	21,938,000.00	-	21,938,000.00	-	
Region 13	32,315,259.00	-	32,315,259.00	-	
Improving the Quality and Responsiveness of Public Spending in Poor Communities through Localized Procurement Reform-Part B (JSDF Grant No. TF-093563)	366,847.25	234,296.68	234,296.68	132,550.57	
MAINTENANCE AND OTHER OPERATING EXPENSES	366,847.25	234,296.68	234,296.68	132,550.57	
Training and Seminar Expenses	366,847.25	234,296.68	234,296.68	132,550.57	
Institutionalizing Zero-Based Budgeting / Program Evaluation (IDF Grant No. TF-011843)	2,491,860.00	90,046.17	2,037,646.17	454,213.83	
MAINTENANCE AND OTHER OPERATING EXPENSES	2,491,860.00	90,046.17	2,037,646.17	454,213.83	
Training and Seminar Expenses	543,313.00	89,099.50	89,099.50	454,213.50	
Consultancy Services	1,947,600.00	-	1,947,600.00	-	
Bank Charges	947.00	946.67	946.67	0.33	
TOTAL - CURRENT APPROPRIATION	204,433,558.25	764,799.05	192,293,580.63	12,139,977.62	
Prior Year's Allotment					
CONTINUING APPROPRIATION					
NZAID - Public Sector Institutional Strengthening Program/Program on Rationalizing and Improving Public Service Delivery/Governance Reform Technical Assistance Facility (PSISP/PRIPSD/GRTAF) - New Zealand	170,590.66	-	161,251.29	9,339.37	
MAINTENANCE AND OTHER OPERATING EXPENSES	170,590.66	-	161,251.29	9,339.37	
Other Professional Services	170,590.66	-	161,251.29	9,339.37	
TOTAL - CONTINUING APPROPRIATION	170,590.66	-	161,251.29	9,339.37	
GRAND TOTAL	204,604,148.91	764,799.05	192,454,831.92	12,149,316.99	

Prepared by:



ARNOLD M. BANAY
Administrative Officer IV

Certified Correct:



EDEN D. PANGILINAN
Chief Administrative Officer