



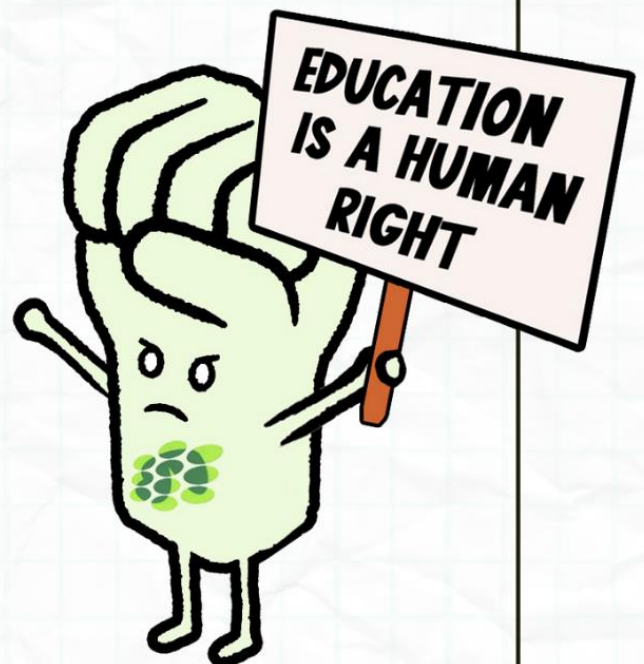
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**E-Net Philippines**

# LOCAL BUDGET ADVOCACY

NCR-Luzon-Visayas  
Members

**SEPTEMBER 1-2, 2023**

Oracle Hotel and Residences,  
Katipunan, Quezon City



## BACKGROUND

Local Budget Advocacy is a critical component of E-Net's efforts to ensure adequate and effective allocation of resources for education at the local level. This capacity-building activity aims to equip E-Net Members in NCR, Luzon and Visayas with the knowledge, skills, and strategies necessary for effective local budget advocacy to promote education-related initiatives and campaign for increased government financing for inclusive, equitable, quality education for the marginalized, excluded and vulnerable sectors.

## OBJECTIVES

1. Deepen participants' understanding of the local budgeting process, its importance for education, and the role of citizen's advocacy.
2. Develop participants' skills in analyzing budgets, identifying opportunities for education-related allocations, and entry points for participation and engagement of CSOs in the local budget process.
3. Encourage networking and collaboration among members and partners to pool resources, share experiences and make innovative strategies for more impactful local budget advocacy efforts.

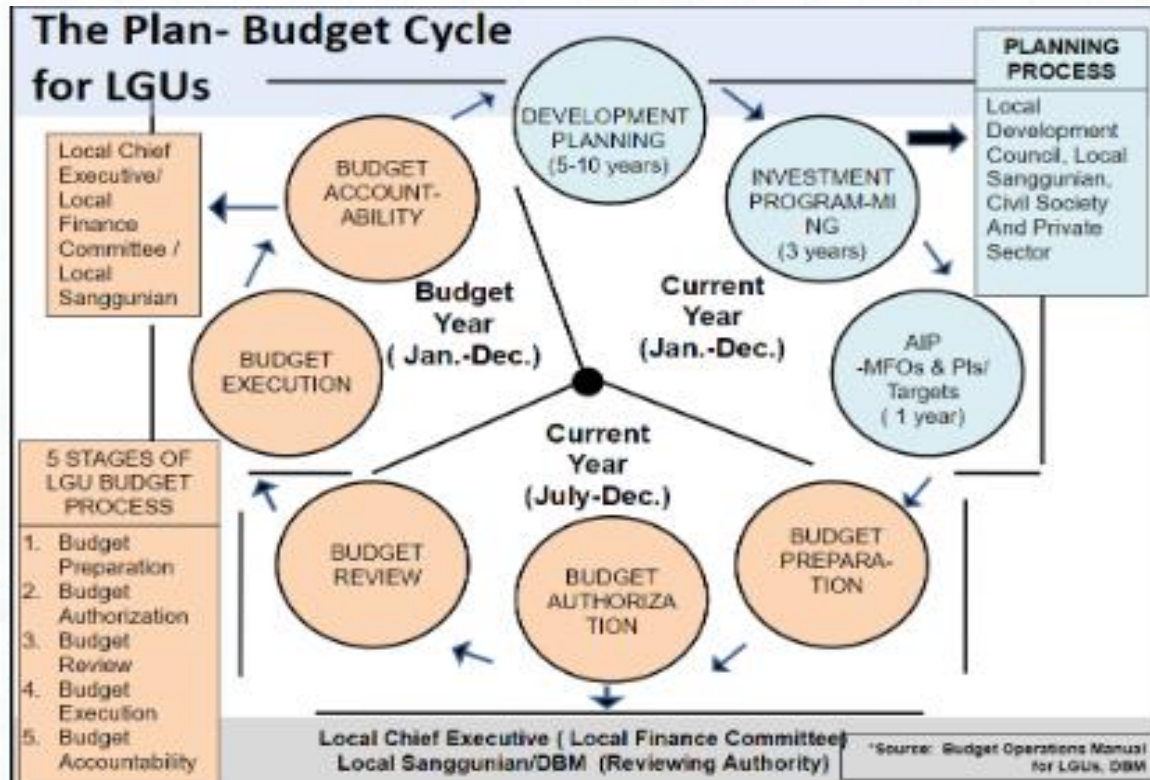
### **The Local Budget Process**

*Presented by Alce Quitalig  
Social Watch*

- The Local Government Budget Process was discussed based on the operations manual published by DBM. DBM Budget Operations Manual for Local Government Units, 2016
- Highlighted that our budget is all about the income and expenditures of the government
- Our government undergoes what is called government budgeting every year. It is the process of allocating revenues and borrowed funds to the achievement of the country's social and economic goals.
- It also includes planning and managing all government expenditures in line with economic preservation and effective service delivery to citizens. Like the National Government, our local government also follows its processes. This is important because it allows the government to plan and manage all of our financial resources.
- The budget is the peso equivalent of the government's comprehensive development plan. Through budgeting, our government sets priorities and develops plans, programs, and projects in line with their capacity.
- Citizens play a significant role in this process. As part of the community, we need to know how programs, plans, and projects are funded by our government funds from public funds.

### The Local Budget System: Connection of Planning and Budgeting

- The budget must be linked to the harmonized local plans and policies of a locality.
- The Local Development Council (LDC) must submit a copy of the approved Local Development Plan (LDP) and Annual Investment Plan (AIP) to the Local Finance Committee (LFC) for budget preparation.
- AIPs must be submitted and approved before local budget preparation begins and the local budget that will fund the PPAs listed in AIPs.



### Officers with Major Role in the Budget Process

- Local Chief Executive (LCE) - Vetoes or Approves Enacted Appropriation Ordinance
- Local Finance Committee
- Local Planning and Development Officer - Crafts and consolidates long-term, medium-term and annual development plans of the Local Government Unit (LGU)
- Local Budget Officer - Review and Consolidate Budget Proposals
- Local Treasurer - Certifies to the availability of funds for disbursement.
- Local Accountant - Prepares and Submits financial statements to LCE and Sanggunian
- Heads of Offices - Prepare and Submit Budget Proposals
- Local Sanggunian - Authorizes annual and supplemental budgets

### LGU Budget Process

1. Budget Preparation
2. Budget Authorization
3. Budget Review
4. Budget Execution
5. Budget Accountability

Note: In the national budget process, there is no Budget Review

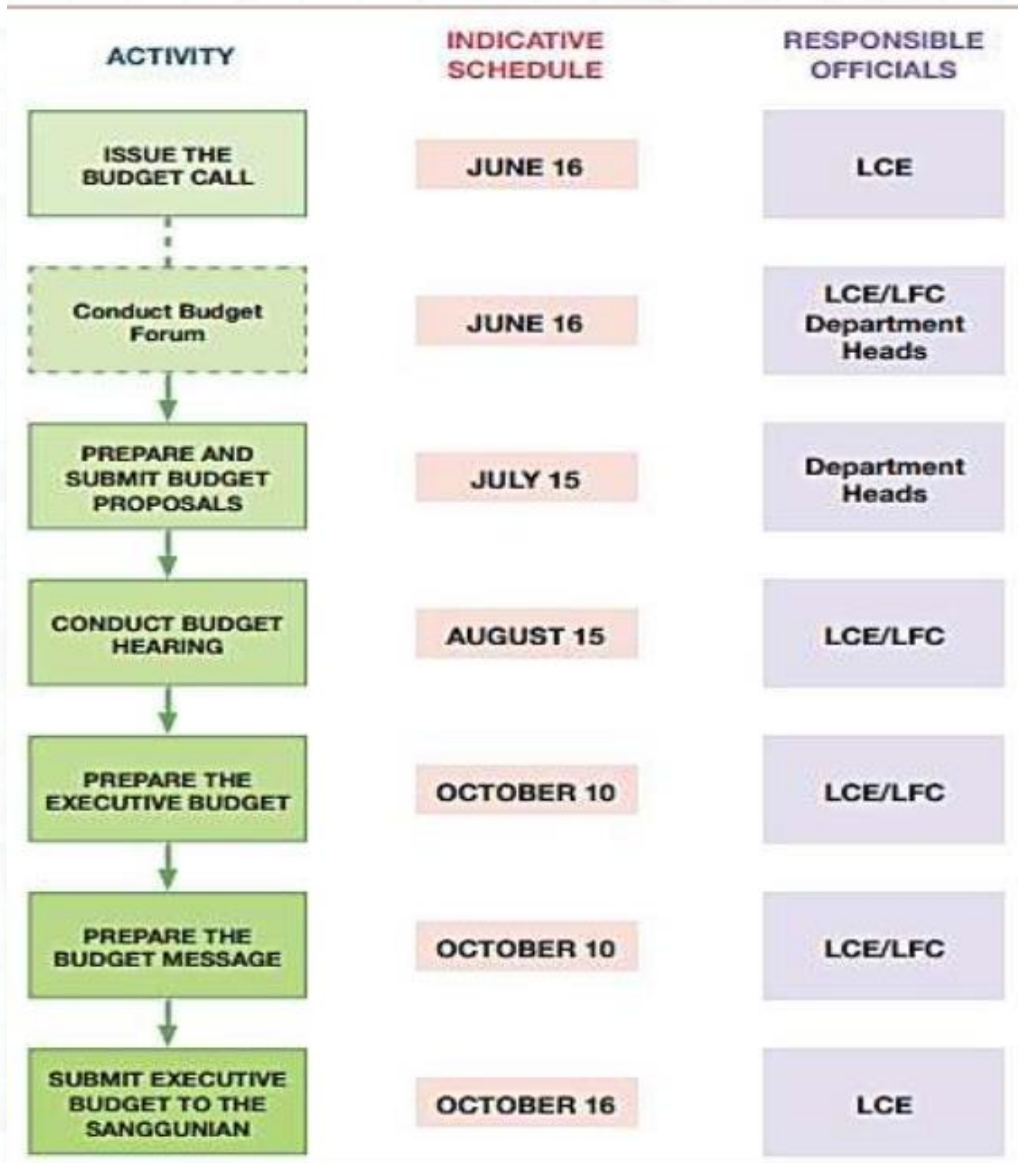


**For the 2024 LGU Budget**



**Budget Preparation Flow Chart**

The sequence of preparatory activities of LEP (Local Expenditure Plan) must be in accordance with the mandated deadline for submitting it to the Local Council



### I. BUDGET PREPARATION

ACTIVITY	SCHEDULE	HEAD
- Directive of the LCE that contains the objective, policy decision, strategy, and priority Plans, Programs, and Activities (PPAs) of the sector/office which is shown in the Annual	June 16	Local Chief Executive

Investment Plan (AIP) of the budget year.		
Setting the Budget Forum: 1 day forum where the Local Budget Officer (LBO) will explain to the Depts. Head the programs that are promoted and direct the budget policy, including sources of income, spending ceilings, and budget strategy.	June 16	LCE/LFC Department Heads (LFC - Local Finance Committee)
Preparation and submission of budget proposals: - All Dept. Heads will prepare their budget proposals to be forwarded to the LBO who will in turn review and consolidate them. - The LBO will also determine the outputs and estimated costs.	July 15	Department Heads
Conduct of Budget Hearings: - This is carried out by the LFC to validate everything stated in the revenue sources, PPAs, cost estimates, and expected outputs for the budget year. - All budget proposals will be evaluated by LFC using an output and cost criteria.	August 16	LCE/LFE
Preparation of Executive Budget: - The Executive Local Budget/Local Expenditure Program (LEP) is divided into 2 parts: Estimates of Receipts and Proposed appropriations of the budget year.	October 10	LCE/LFE
Budget Message Preparation: - The budget message is must contain explanations for the policy directions contained in the proposed executive budget.	October 10	LCE/LFE

<p>Submission of Executive Budget to Council: - The passage of the Executive Budget must not exceed the 16th of October of the current year.</p>	<p>October 16</p>	<p>Local Chief Executive</p>
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### Local Budget Preparation Forms

1. LBP Form No. 1 - Budget of Expenditures and Sources of Financing
2. LBP Form No. 2 - Programmed Appropriations and Obligations by Object of Expenditures
3. LBP Form No. 2A - Programmed Appropriation and Obligations for Special Purpose Appropriations
4. LBP Form No. 3 - Personnel Schedule
5. LBP Form No. 4 - Mandate, Vision/Mission, Major Final Output, Performance Indicators and Targets by Department/Office
6. LBP Form No. 5 - Statement of Indebtedness
7. LBP Form No. 6 - Statement of Statutory and Contractual Obligations & Budgetary Requirements
8. LBP Form No. 7 - Statement of Fund Allocation by Sector
9. LBP Form No. 8 - Statement of Funding Source
10. LBP Form No. 9 - Statement of Supplemental Appropriation

## II. BUDGET AUTHORIZATION

Enactment of the Appropriation Ordinance - According to the LGC, the budget must be implemented by the Council on or before the end of the fiscal year.

- Approval of Appropriation Ordinance - It will be forwarded to the Sanggunian for approval.
- Posting of Appropriation Ordinance - The Sanggunian Secretary will take the lead in posting the ordinance or resolution on the bulletin board in front or at the entrance of the provincial capitol and city, municipal, and barangay hall. It has to be placed and done within 5 days after approval.
- Providing a copy of the Approved Appropriation Ordinance to the Competent Authority - For component cities and municipalities, the City/Town Sanggunian Secretary must submit a copy to the Provincial Sanggunian within 3 days after approval.
- For provinces, highly-urbanized cities, and independent component cities and municipalities in Metro Manila, the approved Appropriation Ordinance must be submitted to the DBM within three days after approval.

### The Roles of the Sanggunian

- Reviews/Evaluates the executive budget
- Deliberates on the budget
- Authorizes the annual budget – Appropriations Ordinance

- Approval of the Appropriations Ordinance by the Local Chief Executive

## Budget Authorization Flow Chart



### Local Budget Authorization Forms

1. LBA Form No. 1A - Checklists on Documentary and Signature Requirements for the Annual Budget
2. LBA Form No. 1B - Checklists on Documentary and Signature Requirements for the Supplemental Budget

### III. BUDGET REVIEW

The budget review is conducted by the reviewing body/office (DBM Regional Office or Sangguniang Panlalawigan) to ensure that the budget requirements and limitations set by law have been followed. The reviewing office will take a review action on the submitted documents depending on the review done.

Who are involved?

DBM

- Cities/Mun in MM
- Cities - HUCs, ICCs

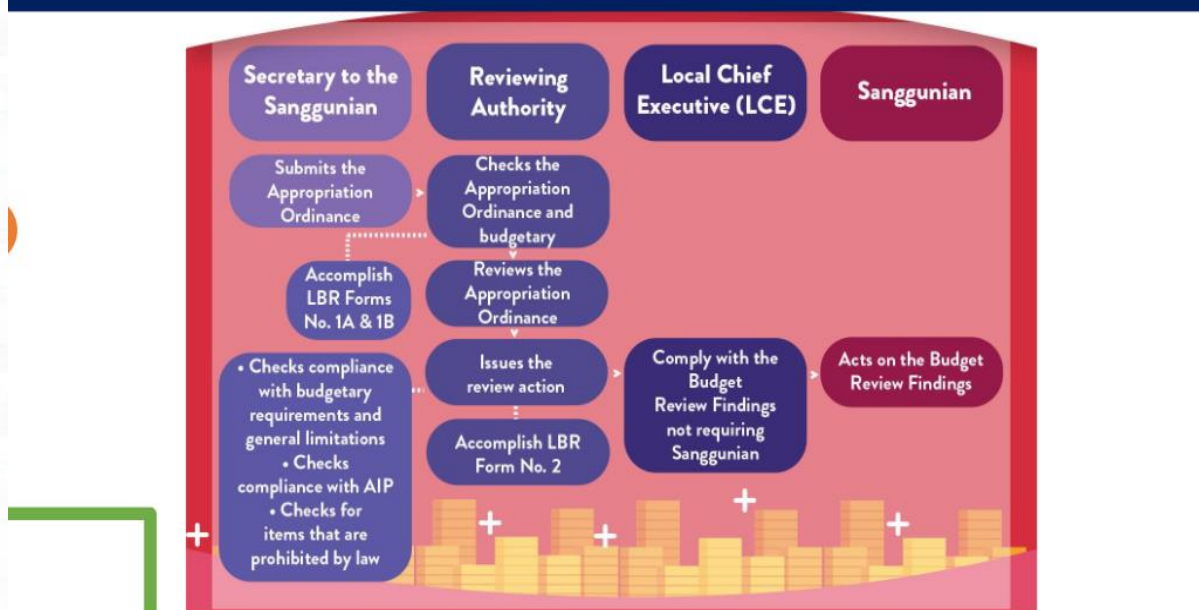


- Provinces
- Sangguniang Panlalawigan
  - Component Cities
  - Municipalities
- Sangguniang Panglungsod/Bayan
  - Component barangays

What?

- Complied with the budgetary requirements/limitations set by laws
- Consistency with local development plan
- 

## Budget Review Flow Chart



### Statutory Obligations

1. Development Fund - 20% Internal Revenue Allotment (IRA) (floor)
2. DRRM fund - 5% of regular income (floor)
3. GAD budget - 5% of total appropriation (floor)
4. Debt Servicing - 20% of income (cap)
5. Aid to Barangays - P 1,000/brgy (floor)
6. PS - 1st-3rd class: 45% of annual Y; 4th -6th class-55% (cap)
7. Discretionary fund - 2% of Real Property Tax receipts (cap)
8. Intelligence - 30% of P&O provision or 3% of appropriation whichever is lower
9. Local Council for the Protection of Children (LCPC)/Barangay Council for the Protection of Children (BCPC) - 1% of IRA/National Tax Allotment (NTA) (floor)
10. SK - 10% of barangay appropriations (floor)
11. Senior Citizens (R.A. 9994) 1% of the IRA

12. Persons with disability (R.A. 7277) 1% of the IRA
13. Substantial portion of the annual budget for R.A. 9165 (Comprehensive Dangerous Drugs Act of 2002)
14. Operation of the Barangay Peace and Order Council (BPOC). (E.O. 366, s. 1996)

### Issuing the Review Action

The reviewing authority may declare the Appropriations Ordinance as:

- a) operative in its entirety;
- b) operative in its entirety, subject to conditions;
- c) inoperative in its entirety; or
- d) inoperative in part.

Note: Review by the reviewing authority within 90 days from receipt of copies of the Appropriations Ordinance

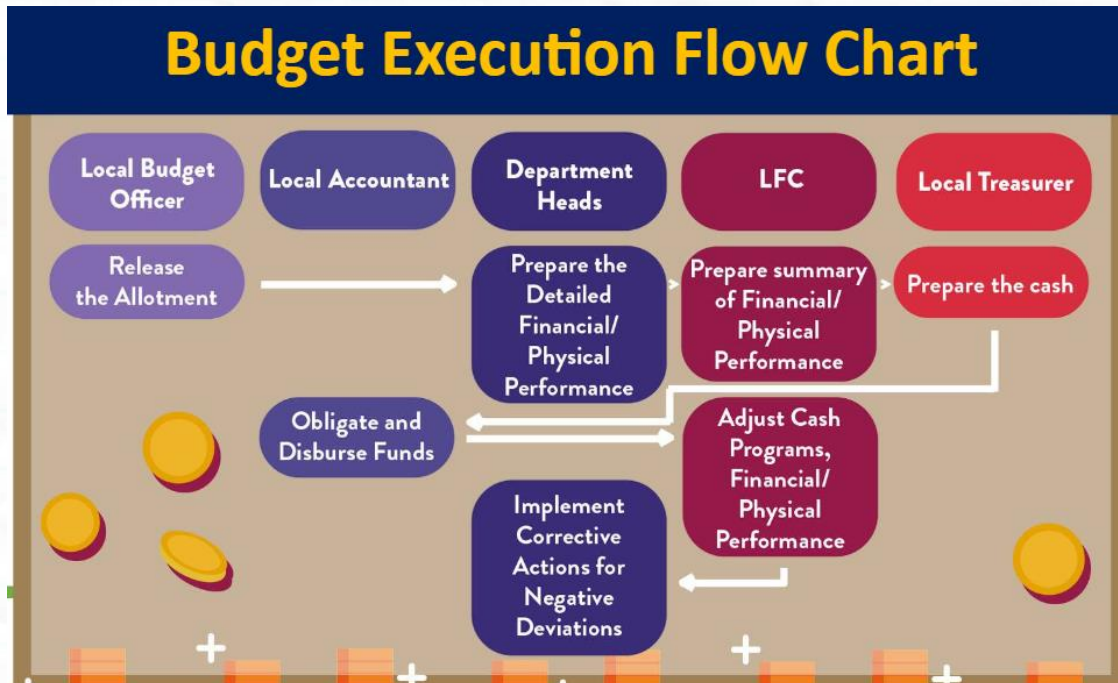
### Local Budget Review (LBR) Forms

1. LBR Form No. 1A - Checklist on Documentary and Signature Requirements for the Annual Budget
2. LBR Form No. 1B - Checklist on Documentary and Signature Requirements for the Supplemental Budget
3. LBR Form No. 2 - Table Recapitulating the Findings and Possible Review Action (Pwedeng bilhin ng mga CSOs, kuhain ang kopya)
4. LBR Form No. 3A - Summary Worksheet - Receipts and Expenditures
5. LBR Form No. 3B - Budgetary Requirements and Limitations

LBR Form No. 2	
SUMMARY OF FINDINGS AND RECOMMENDED REVIEW ACTIONS	
FINDINGS	REVIEW ACTIONS
_____ Reviewing Officer	

## IV. BUDGET EXECUTION

This is the fourth phase in the budget process. After the recording of appropriations in the respective registry, the implementation of the budget includes the release of allotments, verification of appropriations and money, publication of actual obligations and fees for the PPAs imposed and the delivery of services, and goods in a proper and honest manner. The critical phase here is the collection of funds necessary to ensure the availability of money or resources to pay the obligations of the local government.



### Budgetary Accounts in Budget Execution

Appropriation	An authorization made by ordinance, directing the payment of goods and services from local government funds under specified conditions or purposes.
Allotment	An authorization issued by the Local Chief Executive (LCE) to a Department/Office of the LGU which authorizes it to incur obligations for a specific amount within its appropriation.
Obligation	The specific amount within the allotment which is committed to be paid by the LGU for any lawful expenditure made by an accountable officer for and in behalf of the LGU concerned.
Disbursement	Settlement/liquidation/payment of an obligation incurred by the LGU in the current and prior years, involving cash and non-cash transactions and covered by disbursement authorities.

## Local Budget Execution (LBE) Forms

LBE Form No 1 - Allotment Release Order for Personnel Services

LBE Form No. 1A - Allotment Release Order for MOOE

LBE Form No. 1B - Allotment Release Order for Financial Expenses

LBE Form No. 2 - Allotment Release Order for Capital Expenditures (Allotment on the basis of the Work Program and Project Priorities as Reflected in the AIP)

LBE Form No. 3 – Summary of Financial and Physical Performance Targets

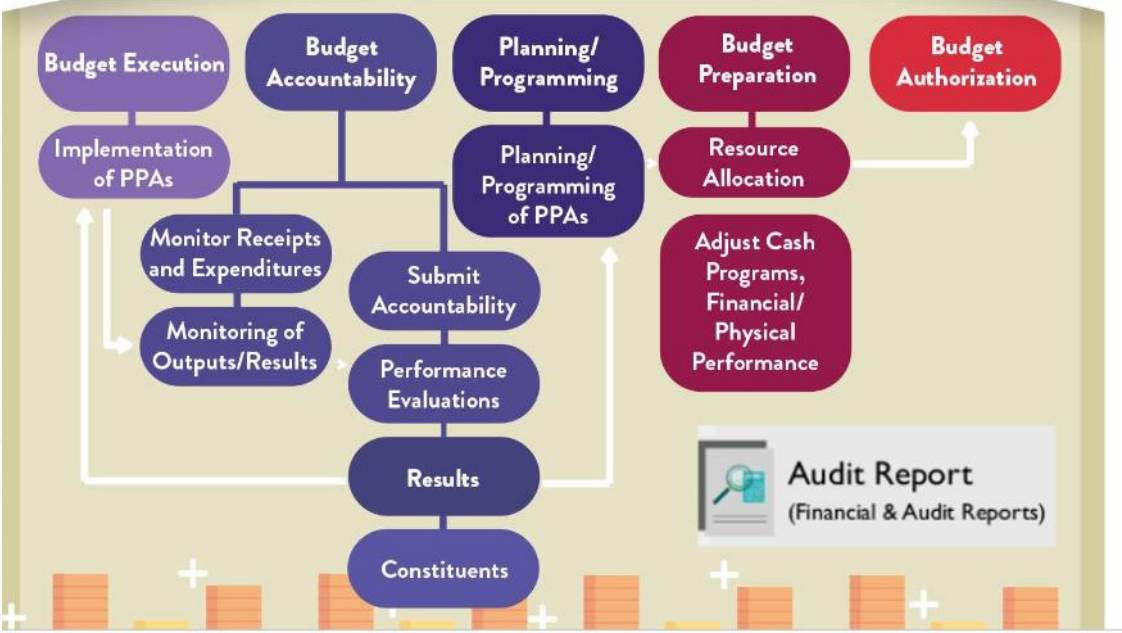
<b>LBE Form No. 3</b>  <b>SUMMARY OF FINANCIAL AND PHYSICAL PERFORMANCE TARGETS</b>					
LGU : _____ Department/Office: _____ Major Final Output(s): _____					
Program/Project/Activity (1)	Total Cost (2)	Performance Indicator (3)	Prior Year Accomplishments (ACTUAL) (4)	Physical Targets (5)	Remarks (6)
Prepared by: _____ Department Head			Approved by: _____ Local Chief Executive		

## V. BUDGET ACCOUNTABILITY

This is the last process and the accounting budget of the budget using the management control technique which is the assistant in tracking the inflows and outflows of funds or income.

It is important for LCEs and local Sanggunians to know the status of the implementation of the PPAs contained.

# Budget Accountability Flow Chart



## Required Accountability Reports

Local Budget Accountability (LBAc) Form No.	Description	Responsible Official	Date of Submission
LBAc Form No. 1	Quarterly Report of Income	Local Accountant	10 Days after the End of Each Quarter
LBAc Form No. 2	Quarterly Financial Report of Operations	Local Budget Officer	10 Days after the End of Each Quarter
LBAc Form No. 3	Quarterly Physical Report of Operations	Department/ Office Heads, Planning and Development Coordinator	10 Days after the End Of Each Quarter
LBAc Form No.4	Statement of Receipts and Expenditures	Local Treasurer, Local Budget Officer, Local Accountant	Within 30 Days from End of Fiscal Year

*The form to be accomplished in the evaluation of performance shall be LBAc Form No. 5 - Physical and Financial Performance Evaluation Form.*

LBAC Form No. 5 <b>PHYSICAL AND FINANCIAL PERFORMANCE EVALUATION FORM</b> As of the ___ Semester Ending ____ Department/Office _____									
PAP Code	PAP Description/ Major Final Output	PHYSICAL PERFORMANCE				FINANCIAL PERFORMANCE			
		Target Output	Actual Output	Variance	% of Accomplishment	Allotment Released	Actual Obligations Incurred	Variance	Absorptive Capacity
(1)	(2)	(3)	(4)	(5) = 4-3	(6) = 4/5	(7)	(8)	(9) = 8-7	(10) = 8/7
	<b>TOTAL</b>								
Prepared by: _____ LOCAL FINANCE COMMITTEE									
						Date _____			

### New policy of DBM to guide LGU budget process

**Through Civil Society Organizations (CSOs), the people can participate in the large-scale decision-making of the local government, especially in the allocation of public resources. This emphasizes the great role of CSOs in every part of the budget process.**

Harmonization of the budgeting plan and policy - Intensification of the policy-based budgeting" campaign, where the budget is prepared in accordance with local government policies linked to the development plans contained in their investment programs.

- Best practice of Naga People's council
- Highlighted shrinking spaces for CSOs to participate
- CSOs have lens to education programs and projects

#### 1. Preparation (June-Oct 2023)

- CSOs meet/coordinate with key LGU Offices, submit proposals, info campaigns

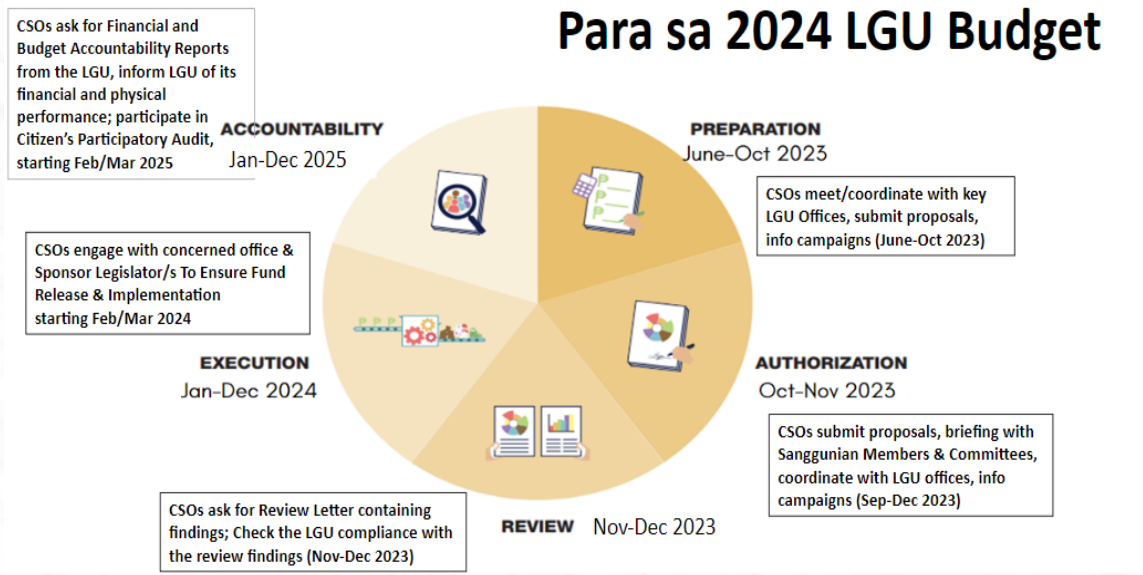
#### 2. Authorization (Oct-Nov 2023)

- CSOs submit proposals, briefing with Sanggunian Members & Committees, coordinate with LGU offices, info campaigns (Sep-Dec 2023)

#### 3. Review (Nov-Dec 2023)

- CSOs ask for Review Letter containing findings; Check the LGU compliance with the review findings (Nov-Dec 2023)
- 4. Execution (Jan-Dec 2024)
  - CSOs engage with concerned office and Sponsor Legislators/To Ensure Fund Release and Implementation Starting Feb/Mar 2024
- 5. Accountability (Jan-Dec 2025)
  - CSOs ask for Financial and Budget Accountability Reports from the LGU. Inform LGU of its financial and physical performance, participate in Citizen's Participatory Audit starting Feb/Mar 2025

## Sneak Peak: Entry Points for Participatory Budgeting



### OPEN DISCUSSION:

No	Questions	Responses
1.	In what part of the process are CSOs needed to engage and how do we get involved?	Budget Preparation (June-Oct 2023) <ul style="list-style-type: none"> <li>● CSOs meet/coordinate with key LGU Offices, submit proposals, info campaigns</li> <li>● LGU have Local School Board which the CSOs can engage with</li> <li>● We have LGUs that has separate education unit under the Office of the Mayor. (June-Oct 2023)</li> <li>● Congressman who's under education</li> </ul>

		committee of appropriations committee
2.	When are the CSOs/NGOs part of the planning? In reality, those who are writing the plan are the department heads. CSOs are not being a part of the budget process. How can we overcome this practice?	The DBM Operations Manual encourages citizens participation but of course we cannot disregard the reality.
3.	They are not transparent and not involved in the planning. When the whole process is finished and we are in the budget execution, there is a process we go through. For example, there is an agreed budget in the sanggunian and it will go down to different offices. For example, in procurement, the budget appropriated for school buildings is 5 billion, but when it comes to suppliers, the offer is 3 billion or less. Where will the 2 billion go?	In procurement, we have a role. We can act as observers in the bids and awards committee. We can document findings and observations, or report irregularities. What will happen to the 2 billion is either it becomes savings, goes into appropriations, or reverts to the treasury.
4.	One of the bases for promotion is the budget they have saved. If the principal saves a larger budget, there's a higher possibility of them getting promoted.  Where is the rationale for budgeting, if at the end of the day, is it better to have more savings?	The problem with the government is the principle of bite-sizing.  More emphasis is given to saving rather than allocating funds wisely. The focus is on where budget cuts can be made. The government should be able to spend because that's its duty for various programs.  A balanced budget is essential; it should not exceed the set limits. It's acceptable for the government to borrow money as long as the borrowed funds have a significant impact, such as improving education, etc.  Regarding promotion, Why does promotion need to be based on savings as a parameter or indicator? If you have savings, it may imply a lack of output or work done. Where will the savings go?  The interpretation by the Supreme Court has given the executive branch a wide discretion and flexibility in this matter. The interpretation of savings within



		<p>the entire executive branch can extend to the local government units (LGUs).</p> <p>Spending needs to be scrutinized more closely, and teachers should have participation in this process. It requires the involvement of all stakeholders.</p>
5.	<p>What about insertions?</p>	<p>If the insertion comes from us, for example, the E-Net proposed it and was sponsored by the congressman and it passed, that's an insertion. On top of that, there are legislative introduced amendments. At least in the insertion, we have representation. At least this insertion is based on us. It's a good insertion.</p>
6.	<p>Realignment was mentioned. The budget process is an ideal process. At the local level, in the budget process, if CSOs are already involved in the preparation stage. Where does realignment come into play?</p> <p>In terms of saving, there are some LGUs that do not save. Realignment comes into play through supplementary budgets. In these cases, CSOs are often not informed as they were during the initial preparation.</p>	<p>Reallocation occurs when there are adjustments in cash and financial performance.</p> <p>It happens when unforeseen events and modifications occur. For example, if there are savings, either due to good savings from efficient spending or bad savings from slow-moving projects within agencies. The executive may express a preference for certain flagship projects.</p> <p>The problem lies in the extensive power of the executive in matters of realignment appropriation, largely due to a Supreme Court decision that allows the Office of the President's savings to be used across the entire executive branch. This lack of transparency means there is no visible record of savings, and the use of savings and financial statements is not reflected in reports.</p> <p>There is also a component of transfer and realignment within this context.</p>
7.	<p>Regarding savings, can a supplemental budget be created if there are savings?</p>	<p>That's the legal savings.</p> <p>When you generate savings at the end of the year, those savings ideally need to be appropriated.</p> <p>You can't withdraw money from the treasury without a law. You need to create a supplemental budget to have an appropriation ordinance, which is a law.</p>

		At the end of the year, a supplemental budget should be created if there are additional needs that haven't been addressed; otherwise, the funds should be returned to the treasury. You have to wait for the next budget cycle.
8.	How about continuous appropriations?	Continuous appropriation refers to instances where funds from a previous budget spill over and remain valid for specific purposes, such as construction projects.
9.	There are issues in education that are national in scope. That's why we are complaining about why hiring is separate for Senior High School (SHS) and Junior High School (JHS). Teachers are overloaded, overworked, and underpaid. In terms of permanency, there are no contractual positions, but they are hired as Job Order employees. The local government claims that this is a national issue because there are no permanent items available. It would be beneficial to have a deliberation hearing on this matter, and we should be part of it.	<p>The budget for DepEd teachers and students comes from the national government. The function is centralized and not devolved. Therefore, the budget for this comes directly from DepEd. LGUs have education units, and there's a local executive who allocates funds for them.</p> <p>Sir Fidel will discuss the Special Education Fund (SEF) later.</p>
10.	<p>A supplemental budget was presented, and what happened was there were 30 million for organic fertilizer and 30 million for hybrid seeds. Internal audit: It will go through them before releasing the funds.</p> <p>Why is the El Niño mitigation budget under the Climate Resilience of Agriculture budget again? Another budget for the same item seems to have been repeated. The El Niño budget was not appropriated because there was no water.</p> <p>Is what was done with the supplemental budget correct?</p>	<p>It really happens because it's the power of the executive to determine where it can be used. If there are extra funds, they can be used as long as they are anchored in the AIP and properly formulated by department heads.</p> <p>Follow up: This person, already has an appropriation for fertilizers and hybrid seeds. Then, there's El Niño, and they're making another supplemental budget. The budget from before hasn't even been used, and now they're adding more?</p> <p>A: It's within the Local Government Unit's (LGU) power. For example, in 2023, you can create a 2023 supplemental budget apart from local appropriations as long as there are extra funds at the end of the year.</p>

		<p>It can be contested as duplication, and it shouldn't be budgeted.</p> <p>It's part of the dynamics of politics in local government.</p> <p>It should be reported to the local development office as duplication, but at the end of the day, it's up to the local chief executive.</p> <p>Q: It's not the governor; it's the department head of agriculture in that unit who introduced it. And it has happened before.</p> <p>A: This is now a lesson that we can call out unwanted appropriations.</p>
<p>11.</p>	<p>On behalf of the teachers, it's essential for us as a Civil Society Organization (CSO) to monitor the execution of the budget, especially where there are possible savings that can be used for unexpected or unforeseen events, or needs and benefits that are due for teachers and employees. It's crucial for us to understand the politics, budget philosophy, or political mapping. For example, we are asked to submit an Annual Investment Program (AIP). It starts at the school level and goes up to the provincial level.</p> <p>In national forecasting, they have the number of teachers to be employed, and this number is tied to the budget. However, even if we want to address our needs, there's a political question about how the government is responsive. I'm not saying it's just DepEd or CHED or the entire government; it's about how they respond to the needs of the constituency.</p> <p>But when it comes to execution, we often don't achieve what we need because it's not covered.</p> <p>Secondly, in the AIP and when it comes to</p>	<p>Making sure that what's in the Annual Investment Program (AIP) is genuinely spent is crucial. It's a good practice to engage right from the beginning of the year. It's important to seek accreditation with local special bodies like the Local School Board (LSB) and the Sanggunian (local government council).</p>

<p>locally funded schools (we also have national funded schools), as explained by Alice in the process, it's good to be involved from the preparation stage to include the programs and projects we need.</p> <p>For example, in merit and promotion, the school level should already be aware and involved. In the number of teachers we project for promotion, we should allocate a budget for it, which we can propose to our LGU, and specifically, our specific budget should be there in the Special Education Fund (SEF), from which we can get additional pay for teachers.</p> <p>I observed the Sanggunian (local government council) process, and what my sibling said is correct: we don't have a voice because the plans and programs for the year have already been submitted. The mayor, heads of offices, and Sanggunian members are there, but we're not. We only have space during the preparation stage. We should be present in monitoring and execution as well.</p> <p>We're not saving just for the sake of the school practice that gives the principal a bigger bonus. The savings of the principal should be intended for efficiency. They can't realign funds arbitrarily because it would be considered technical malversation.</p>	
<p>12. When I entered the municipal office in February, I immediately checked the budget for Indigenous Peoples (IP). They only allocated 100,000 pesos for the supplemental budget, but we have seven barangays.</p> <p>How can we increase the budget for IP?</p>	<p>We can formalize a consultation with the IP community. Ask about their problems to make it evidence-based and understand the needs of the IPs.</p> <p>And the programs that are being considered as responses to the issues.</p> <p>Even though the budget hearing is for 2025, it's time to start having consultations with our sectors now.</p>

13.	Is the 1% allocated for Child Protection still related to the Barangay Council for the Protection of Children (BCPC) at the barangay level? How can CSOs gain access to this?	hope that at the start of the year, we can become accredited by the Sangguniang (council), and we can become members of the local special body. The BCPC is a local special body. As members, we can access the 1%. It's also good if you can develop programs that can be presented to the BCPC.
14.	Question about IRA, is the 1% of LCPC is coming from the IRA?	<p>The charging is for the development fund, which is 20% of the national tax. The 1% of the IRA for the LCPC is separate.</p> <p>The 20% of the development fund is shared with the IRA. The 1% is taken from the total IRA, not from the development fund.</p>

## Opportunities for Education-related Allocations

*Fidel Fababier*

*National Executive Board, ASSERT*

It takes a village to raise and educate a child. Inclusivity means “No child is left behind” Who are those left behind? MEVS: women and diverse SOGIE, IP, persons with disability, and children.

Every member of the community is a TEACHER

We have the following laws:

- ILO-UNESCO Recommendations Concerning the Status of Teachers (October 5, 1968)
- Magna Carta for Public School Teachers RA 4670 June 18, 1966
  - Section 31. Budgetary Estimates. The Secretary of Education shall submit to Congress annually the necessary budgetary estimates to implement the provisions of the Act concerning the benefits herein granted to public school teachers under the employ of the National Government.

**REPUBLIC ACT No. 5447, also known as the Special Education Fund Act, has the following key provisions and objectives:**

Declaration of Policy and Creation of Special Education Fund

- This law aims to support the goals of education in line with the Constitution by establishing a Special Education Fund (the Fund).
- This Fund is financed through an additional tax on real property and a portion of taxes on Virginia-type cigarettes and duties on imported leaf tobacco.

Utilization of the Fund: The Special Education Fund is exclusively used for various activities within the Department of Education, including:

- Organizing and operating extension classes for children entering Grade I.
- Constructing and repairing school buildings, workshops, and equipment for practical arts, home economics, and vocational courses.
- Payment and adjustment of salaries for public school teachers.
- Preparation, printing, and purchase of textbooks and teaching materials.
- Purchase, improvement, and repair of machinery and equipment for vocational education.
- Establishment of a printing plant for educational materials.
- Promotion of citizenship development, education research, and physical education.
- Financing Sources: The Fund is financed by a portion of taxes on Virginia-type cigarettes and duties on imported leaf tobacco, as well as an additional tax on real property.

#### Imposition of Additional Tax on Real Property:

- An annual additional tax of one percent is imposed on the assessed value of real property, with exemptions for properties valued at or below three thousand pesos.
- The tax is collected in four equal installments throughout the year.

#### Distribution of Tax Proceeds: The collected tax proceeds are distributed as follows:

- Municipalities: 50% retained by the municipality, 20% to the provincial treasurer, and 30% to the Treasurer of the Philippines for stabilizing the Special Education Fund.
- Cities: 60% retained by the city and 40% to the Treasurer of the Philippines for the Special Education Fund.

#### Expenditure of the Special Education Fund:

- School boards prepare budgets for the Fund's receipts and expenditures each fiscal year, following existing laws and regulations.
- The National Government's share is allocated based on priorities, with a focus on municipalities, cities, or provinces in lower classifications.
- The Fund is also used for specific purposes such as teacher salaries, school building repairs, scholarships, and research.

Letter of Instruction No. 1462 outlines specific guidelines and priorities for the utilization of the Special Education Fund (SEF), which was established to support education priorities in accordance with Republic Act No. 5447.

#### Purpose of the Special Education Fund:

- The SEF is intended to exclusively support various activities within the public school system, including the organization and operation of extension classes, construction and repair of school buildings, payment of benefits to public school teachers under RA 4670 (Magna Carta for Public School Teachers), preparation, printing, and purchase of approved educational materials, purchase and maintenance of equipment, implementation of citizenship development programs, and promotion of physical education.

#### Priority Allocation:

- When allocating SEF funds to provinces, cities, and municipalities, Local School Boards (LSBs) must follow a specific order of priority. Provinces should prioritize activities related to item (d) (benefits for public school teachers), item (c) (construction and repair of school buildings), and item (a) (extension classes). For cities and municipalities, the priority order is item (a), item (c), and item (d). Other items are considered secondary

priorities.

#### Exclusive Priority System:

- An exclusive priority system is established, meaning that funds must first meet the needs of the top-priority activities before being allocated to lower-priority ones.
- This rule applies strictly to the highest-priority activities identified in the allocation process.

#### Allowances for Public School Teachers:

- Allowances provided to public school teachers from the SEF must adhere to specific percentage limits based on the class of the local government unit (LGU).
- In first-class LGUs, allowances cannot exceed 100% of the basic salary, while in second and third-class LGUs, the limit is 75%. In fourth and lower-class LGUs, the maximum is 50%. Existing rates that exceed these benchmarks may continue for LGUs that currently exceed these percentages.

#### Budget Allocation:

- Not more than 60% of the LSB budget may be allocated for personal services payments, except in cases authorized by the Commission on the Budget (now the Department of Budget and Management) upon the recommendation of the Ministry of Education, Culture, and Sports (now the Department of Education).

**The Local Government Code of 1991 is a comprehensive law in the Philippines that governs local government units' organization, powers, and functions (LGUs), including provinces, cities, municipalities, and barangays. Here are key provisions related to education and the Special Education Fund (SEF) from this code:**

#### **SECTION 100. Meetings and Quorum; Budget:**

- This section pertains to the local school boards' meetings, quorum, and budget priorities.
- The annual school board budget must prioritize the following:
  1. Construction, repair, and maintenance of school buildings and facilities in public elementary and secondary schools.
  2. Establishment and maintenance of extension classes where necessary.
  3. Support for sports activities at various educational levels, including division, district, municipal, and barangay levels.

#### **SECTION 272. Application of Proceeds of the Additional One Percent SEF Tax:**

- This section outlines the allocation of proceeds from the additional one percent SEF tax on real property.
- The SEF tax proceeds are automatically released to the local school boards (LSBs).
- In provinces, the proceeds are divided equally between the provincial and municipal school boards.
- The funds from the SEF tax can be used for various educational purposes, including the operation and maintenance of public schools, construction, and repair of school buildings, facilities, and equipment, education research, purchase of books and periodicals, and sports development.

- The specific allocation is determined and approved by the LSB.

### **SECTION 447, 458, and 468: Powers, Duties, Functions, and Compensation of Sanggunian:**

- These sections address the powers and functions of the legislative bodies (sanggunian) in municipalities, cities, and provinces, respectively.
- They highlight the authority of these legislative bodies to approve ordinances and resolutions necessary for efficient and effective local government.
- There is a provision that, when the finances of the LGU allow, additional allowances and benefits may be provided to judges, prosecutors, public elementary and high school teachers, and other national government officials stationed in or assigned to the respective LGUs.

### **DBM LBC No. 55, issued in 1994, provides guidelines related to honoraria and payment of compensation to qualified officials or employees in local government units (LGUs) who are designated to fill temporary vacancies in a concurrent capacity.**

#### **Honoraria and RATA (Representation and Transportation Allowance):**

- LGUs have the authority to grant honoraria and RATA to personnel who are designated to fill temporary vacancies in concurrent capacities.
- If an employee entitled to RATA in an LGU is designated to a lateral position in a concurrent capacity for one full calendar month or more, they may receive an honorarium, not exceeding Php 1,000 per month.

#### **Designation to a Higher Position with RATA:**

- An employee designated by competent authority in a concurrent capacity to a higher position that is entitled to RATA may be authorized to collect the RATA. This authorization should be specified in the order of designation.
- If the employee is also entitled to RATA in their permanent position, they may collect the difference, if any, between the RATA of the two positions. However, they cannot collect both the full RATA and the honorarium.
- In such cases, the employee can choose to receive either the honorarium or the difference in RATA, whichever is higher, but not both.

DECS-DBM-DILG Joint Circular No. 1, issued on April 14, 1998, provides guidelines related to the utilization of the Special Education Fund (SEF). In section 4.0, it outlines the prioritization of expenses that can be charged against the SEF.

#### **Prioritization of Expenses Chargeable to SEF:**

- The Local School Boards (LSBs) are responsible for determining how to allocate the SEF.
- The SEF should primarily be used for the following expenses:
  - Operation and maintenance of public schools, which includes activities like organizing extension classes, non-formal education, remedial programs, and summer classes.
  - Payment of existing allowances for teachers that were granted by local government units (LGUs) and were chargeable against the SEF as of December 31, 1997.
- It's important to note that any additional allowances that LGUs may grant to teachers should be charged to the general fund of LGUs, following existing budgeting rules and regulations.



COA EN BANC DECISION NO. 98-46, issued on December 3, 1998, addresses an issue raised by petitioners regarding the utilization of the Special Education Fund (SEF).

**Issue Raised by Petitioners:**

- The petitioners raised a valid concern regarding the interpretation of the phrase "operation and maintenance of public schools." They argued that this phrase inherently includes the payment of benefits to education personnel.

**Interpretation of the SEF Usage:**

- The decision acknowledges the merit of the petitioners' argument. It concurs that the operation and maintenance of public schools inherently encompass the payment of benefits to education personnel.

**Reference to Joint Circular No. 01, Series of 1998:**

- The decision refers to Joint Circular No. 01, series of 1998, dated April 14, 1998. This circular was issued jointly by the Department of Education, Culture, and Sports, the Department of Budget and Management, and the Department of Interior and Local Government.
- Joint Circular No. 01, 1998, prescribes the rules and regulations regarding the utilization of the SEF by the local school boards specifically for the operation and maintenance of elementary and secondary public schools.

The DepEd-DBM-DILG Joint Circular No. 1, s. 2017 is a joint circular issued by the Department of Education (DepEd), Department of Budget and Management (DBM), and Department of the Interior and Local Government (DILG) in the Philippines. This circular provides guidelines and procedures for the allocation and utilization of the Special Education Fund (SEF) at the local government level.

**OPEN DISCUSSION**

No	Questions	Responses
1.	Based on experience, one of the good examples of their inclusion in the seal of governance is the participation of CSOs in the Local School Board (LSB) and the utilization of the Special Education Fund (SEF). There have been many amendments to the old law, and it would be beneficial to present these to our body would be beneficial. Until 2020, there were new amendments that are currently guiding how to address matters related to the LSB and the utilization of the SEF.	In practice, it is allowed because there are legal justifications. Where the law does not expressly prohibit, it allows.

<p>2.</p>	<p>Is there a law to renew this privilege that was set in 1998?</p> <p>However, the problem is that we need an amendment to the LOI. In 1998 compared to 2023, so let's look at the current amendments to the SEF, what has been updated, and what has been superseded, so that we can base our advocacy on that.</p>	<p>Everyone hired since 1998 is entitled to the 1500 monthly. There is no need for another amendatory law because we have the bill of Rights and Section 2 of 7610, which is a law. Where have you seen a circular supersede a law? In the hierarchy of laws, some laws are superior to others.</p> <p>When a circular is issued, the statute still prevails.</p> <p>What happened here is that the judges of Mandaue Mercelina were given 1500, which they were already receiving from the General fund of the LGUs. The governor of Cebu planned to provide them 3k. However, CoA disagreed because, according to DBM, it should only be 1500. They filed a case in 1995. The Supreme Court decision en banc ruled 15 against 0. The SC upheld the decision that DBM had no right to interfere with the autonomy of the provincial municipality.</p>
<p>3</p>	<p>I hope we obtain the exact document of the SC decision on this matter because we can use it for advocacy. We must have a document to rely on.</p>	<p>G.R. No. 125350            December 3, 2002</p> <p>HON. RTC JUDGES MERCEDES G. DADOLE (Executive Judge, Branch 28),          ULRIC R. CAÑETE (Presiding Judge, Branch 25),          AGUSTINE R. VESTIL (Presiding Judge, Branch 56),          HON. MTC JUDGES TEMISTOCLES M. BOHOLST (Presiding Judge, Branch 1),          VICENTE C. FANILAG (Judge Designate, Branch 2),          and WILFREDO A. DAGATAN (Presiding Judge, Branch 3), all of Mandaue City, petitioners,          vs.          COMMISSION ON AUDIT,</p>
<p>4</p>	<p>Although it's a Supreme Court decision en banc, what's the indication/effect of the circulars from DBM, DepEd, DILG on the claim approved and decided by the SC?</p> <p>Recommendation to do research so we can establish the foundation. In the Magna Carta, there's already provision</p>	<p>We can use the following cases:</p> <ol style="list-style-type: none"> <li>1. Dadole, et al. vs CoA GR No. 125350</li> <li>2. Leynes vs. CoA GR No. 143596</li> </ol>

	<p>for dialogue with DepEd, and the one in charge is Human Resource Organizational Development (HROD). There has been an initial request. Let's expedite the action so we're not just relying on them.</p> <p>We need a roadmap. What are the opportunities for our training in resource mobilization?</p>	
5	<p>What happened to the Joint Circular? If there's an SC decision, why did DBM still proceed with it? Why was the 2017 circular still implemented?</p>	<p>The DBM circular declared up to 1000 as null and void. This 2017 circular was resurrected. It's a defiance of the SC ruling.</p>
6	<p>We need to have evidence-based support for our claim. It's difficult to mobilize without clarity on our side.</p>	<p>The authorities have convinced us that memos (DepEd orders, circulars) are the law, but these are just implementing rules and regulations of the laws. If they contradict the law, it should be brought to court.</p>
7	<p>Why wasn't it filed back then?</p>	<p>They don't fully grasp the history of intertwined laws and circulars. Understanding that these circulars cannot prevail over the law is crucial. Memo mentality.</p>
8	<p>Until now, I can't get over Usec Sevilla's response, "There are so many laws following the Magna Carta that aren't funded."</p> <p>What should be prioritized? If we're discussing how the Magna Carta should be implemented, it's an idea, but people at the top see that there must be a problem first, and if there's a problem, this is the solution.</p> <p>However, the Magna Carta itself was never implemented in the whole existence of the law. In my 20 years of</p>	

	<p>profession, it was never discussed.</p> <p>I hope we can have a roadmap with the advocacy we are pursuing.</p>	
9	<p>Let's conduct a research to strengthen our evidence and arguments about the SEF and Magna Carta for Teachers. We already have discussions with DepEd about the Magna Carta. We must have a roadmap.</p> <p>Let's look for other opportunities in domestic resources, not just about the SEF. For example, the GAD budget, and child protection budget.</p>	

## Case study - Successful Local Budget Advocacy Campaign

### *Quidan Kaisahan representative*

Civil Society Engagement in Local Budgeting and Decision-Making Processes  
 ...the community-driven development approach towards constructive engagement

QK is a Non-stock Non-Profit organization based in the province of Negros Occidental, founded in 1996 with the group of professionals from the Department of Agrarian Reform (DAR), Quidan was registered with the Securities and Exchange Commission (SEC) on January 26, 1997

- “Quidan” means nameless/faceless
- “Kaisahan” means solidarity /unity
- Quidan Kaisahan is the “ Solidarity of the Nameless Ones”

QK envisioned that every child is free from abuse, respected, and thriving in a nurturing and resilient environment. The organization works in solidarity with the poor communities “ to help Build a child-centered society” and “Reaching the Unreached and Serving the Underserved.”

Poor communities may lack the financial resources, but they are never helpless and even hopeless. When mobilized, educated and empowered, they have the capabilities to assert their rights and pursue their own development

Programs:

- Alternative access to education: The path to removing children from work and returning them to school is not an easy one - their income contribution is often a vital part of their family's survival
  - Child education and protection

- Child action center
- Planning for access: QK wants to see new projects succeed and communities thrive. The team provides structure to give every new project the best chance at success
  - Community empowerment and good governance
- Expanding opportunity: Livelihood projects help community members generate additional, and often vital streams of income
  - Sustainable livelihoods

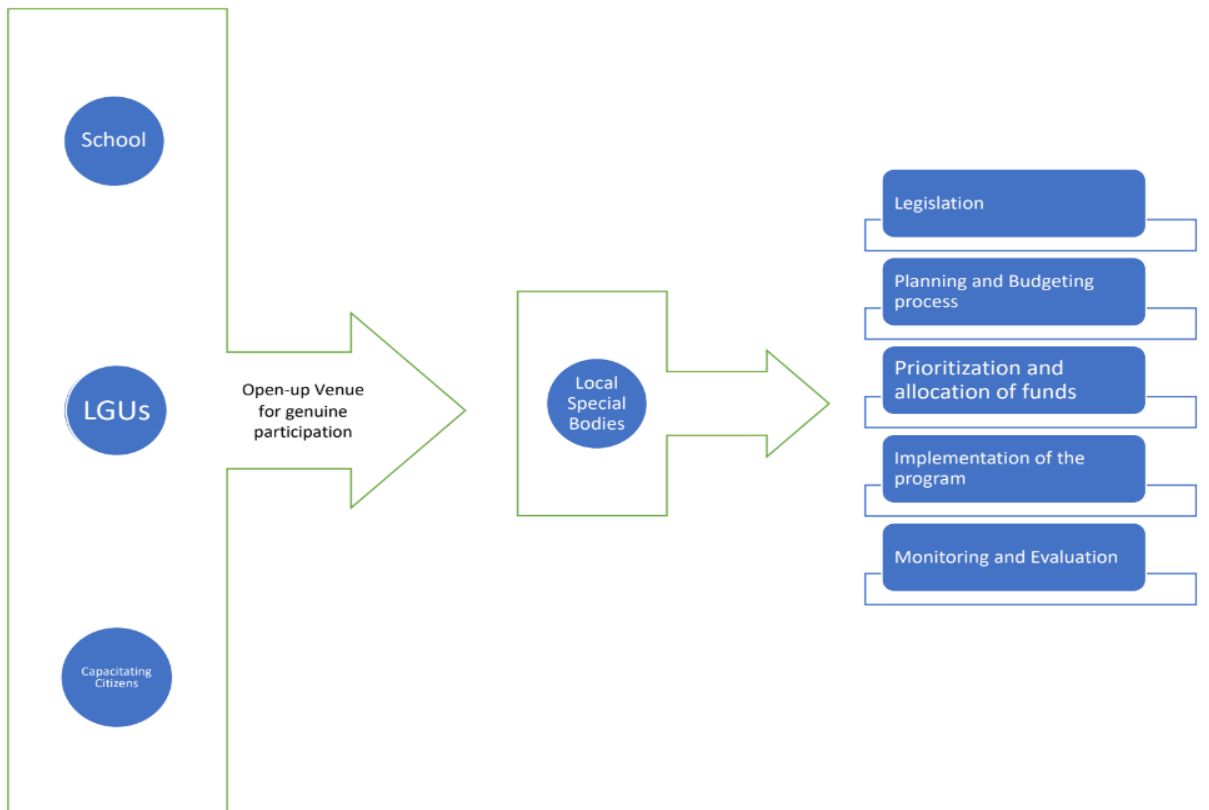
#### Project Areas

1. TOBOSO – 8/9 barangays
2. MANAPLA – 12/12 barangays
3. MURCIA - 20/23 barangays
4. LACARLOTA – 7/15 barangays
5. PONTEVEDRA – 20/20 barangays
6. HINIGARAN – 17/24 barangays
7. CANDONI – 9/9 barangays
8. Sipalay – 10/17 barangays

#### Networks and Partners

- E-Net Philippines
- Inter-Visayas
- Break the Silence Network
- CLEARNet
- DepEd Sipalay City Region VI

The strategy or the process: A community drive approach towards constructive engagement where LGUs play a critical role. Quidan's approach on the side of the LGU is not to come in to ask but to come in to train the LGUs. There are still some LGUs whose mindset is not that open. In QK's belief, why is it necessary to capacitate them? They are mandated to fulfill and implement obligations and responsibilities for their constituents' development programs. They are in the best position - they live there and see the problems. They have institutional advantages: they already have the budget, authority, and process. Aside from LGUs, we also believe in capacitating citizens because they are the community's assets.



## Outputs

- Formulated child protection plans which include anti-child labor programs
- Included the Plans in their LDFs/AIPs, CBYDP/ABYIP
- Strengthened and expanded LDCs / LCPCs / LYDCs
- Linked and forged partnerships with line agencies
- Ensured the inclusion of children in LGU structures and other decisionmaking processes affecting them
- Localized child protection laws and enforced them
  - Barangay ordinances prohibiting child labor
- Established child monitoring system
- Municipal/City Children's Codes
- Unified protocol on case management
- Establishment of Child Action Center / One Stop Shop
- Establishment of BIDC
- Localized child protection laws and enforced them
  - Barangay ordinances prohibiting child labor
- Established child monitoring system
- Municipal/City Children's Codes
- Unified protocol on case management
- Establishment of Child Action Center / One Stop Shop
- Establishment of BIDC

## Outcomes:

- Assisted 11567 child laborers and at-risk children
- 4896 OSCLs-ARs enrolled in the ALS. 674 have returned to the formal system
- 985 child laborers have withdrawn and 709 atrisk children have been prevented
- 100% Misc. fee subsidized by the LGU
- Financial assistance to poor families
- Establishment of Community Learning System for ALS and Tutorial Program
- Community Learning Facilitator and Para-Teacher subsidized by LGU
- Provision of budget on Community tutorial and feeding program

## OPEN DISCUSSION

No	Questions	Responses
1.	Can we immediately use the 5% calamity fund even if there is no calamity?	Yes. There is no need for an announcement of a calamity. The 5% calamity fund can be used for pre-disaster purchases. It can also be used to convene stakeholders and have a DRRM plan or to call for an emergency meeting.
2.	What is our role in providing a counterpart in LGU resources?	QK believes in what is called ASSET BASED. QK has assets then “bayanihan” happened, and only then did they get help. They can assist in cutting trees, making beds. The youth cook porridge to help the attending families.

3	<p>Are labor cases included in RA 7610?</p>	<p>Yes, child labor is included in the child abuse law.</p>
4	<p>Our problem is the reading comprehension of the children, aside from not being very proficient in reading, especially in comprehension.</p>	<p>There's an approach where a child's learning, which cannot be taught through reading and comprehension alone, is started through songs and arts to initiate the child's learning development. Later on, other subjects will be taught.</p>
5	<p>Brothers and sisters, the sharing from QK is very clear and rich. It may be challenging to start with, but we can begin and improve our capacity. This can also be shared with other organizations, for example, with teachers. Sometimes they are not open, and it's difficult to break the culture</p>	



	<p>of traditional teaching.</p>	
<p>6</p>	<p>What are the local special bodies? One of them is the Local Development Council, LCPC (Local Council for the Protection of Children). Where does the issue of drugs come in? The mindset about drugs needs mental health training. Peace and order or drug-related matters were not included.</p> <p>Drugs are an issue related to child development. Secondly, the issue of mental health comes into play. In our area, there is an increasing rate of</p>	<p>Regarding peace and order, there is a program for youth who are engaged or involved in drugs.</p> <p>Before QK enters an area, they conduct mental health profiling with a doctor. Based on the data they gather, they identify specific interventions. QK then discusses how to help improve the mental health activity.</p> <p>Additionally, they have added a program to the feeding program in a school where they assist children with their reading. There are volunteers who help with this.</p>

	suicide.	
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## Role of CSOs in the Budget Cycle Phases

Mitzi Chan

Advocacy Officer

2022 Budget gains



## 2023 Budget Gains

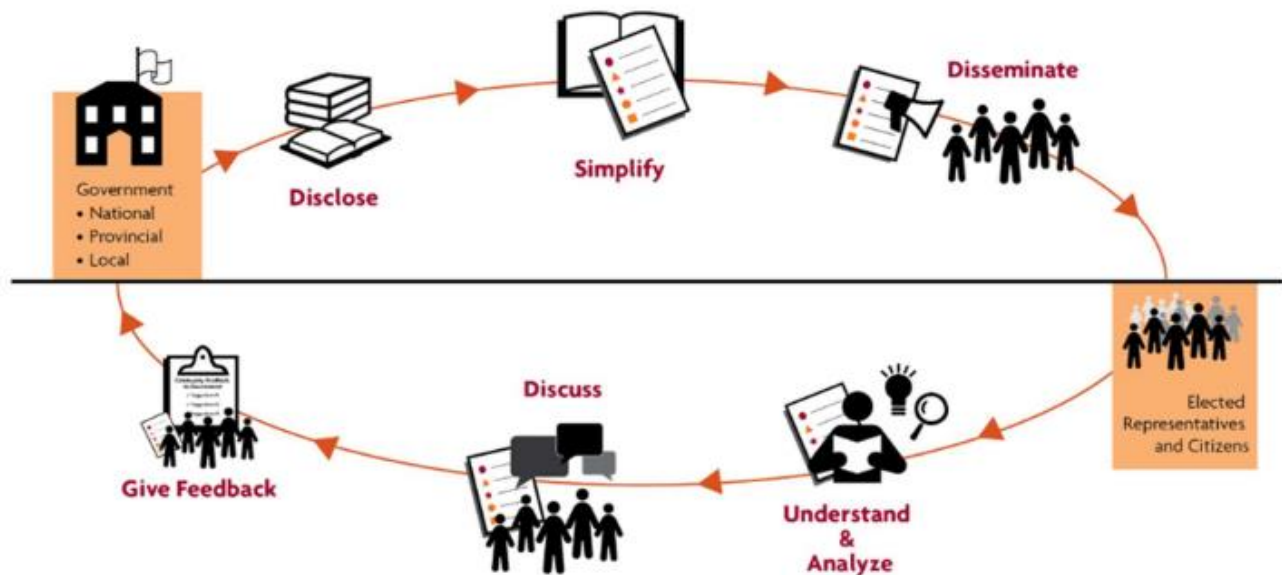
- PhP 53.320M increase in the Child Protection Program
- PhP100M special provision learning resources for learners with disabilities
- PhP54.001M construction, operation, and maintenance of the Alternative Learning System (ALS) Community Learning Centers (CLCs)
- PhP64M for the construction of Inclusive Learning Resource Centers
- Early Language Literacy and Numeracy: from P23.627M to P81.675M (PhP58.048M increase)
- Indigenous Peoples Education (IPEd) Program: from PhP53.359M to PhP154.431M (PhP101.072M increase)
- Special Education Program: PhP581,625,000
- Teacher Quality and Development Program: from P3.918M to P100.169M (PhP96.251M increase)
- Disaster Preparedness and Response Program: from P136,983,000 to P2,136,983,000 (PhP2B increase)

## FY 2024 NEP Initial Gains

- Special Needs Education (SNEd) (P 999.225 million)
- - Conversion of SPED centers into ILRCs (P 209 million)
- Indigenous Peoples Education (IPEd) (P154.436 million)
- Madrasah Education Program (P 431.639 million)
- Alternative Learning System (P 632.483 million)
- BEFF ALS CLCs (P 56 million)
- Last Mile Schools (P 3 billion)
- School-based Feeding Program (P 11.711 billion)
- Child Protection Program (P 72.123 million)
- Cash Allowance for Teachers (P 4.825 billion)

## **PARTICIPATION OF CIVIL SOCIETY ORGANIZATIONS IN THE LOCAL BUDGET PROCESS**

Participatory Budgeting is an approach where citizens, through CSOs, are allowed to participate in the allocation process of public resources. It promotes transparency, public participation, and accountability throughout the government budgeting process.



### Benefits of Participatory Budgeting

1. Builds trust between the government and citizens. The government's approachability to the citizens enhances collaboration in all aspects of governance.
2. Ensures the continuity and sustainability of plans and budgets. When people have ownership of the developed plan, they become more committed to its effective implementation even amidst leadership changes.
3. Ensures the integration and implementation of the approved Annual Investment Plan (AIP). Stakeholder monitoring throughout the stages of budget authorization, review, execution, and accountability ensures the successful delivery of products and services to the citizens.
4. Assists the government in maximizing resource utilization. Service deficiencies due to resource constraints can be addressed by the private sector or CSOs.

### State of CSO Participation in the Local Budget Process

While the accreditation process of CSOs in LGUs is robust, the level of CSO participation in the budget process is low.

- CSOs are only invited for voting/corroboration as mandated by law.
- CSOs lack the technical knowledge to effectively engage in the local budget process.

### Desired State of CSO Participation in the Local Budget Process

"Quality participation of CSOs in the planning and budgeting processes."

- Coordinated and responsive efforts of Oversight Agencies (OAs) in accrediting CSOs and their participation in planning and budgeting;
- Accredited and functioning CSOs in all LGUs;
- Empowerment of CSOs through capacity development support; and
- Genuine and quality participation of CSOs in planning and budgeting processes.

How can LGUs involve CSOs in the Local Budget Process?

- LGUs should establish terms of engagement for citizens' participation, covering the following issues:
- Requirements for the CSO accreditation process, subject to guidelines issued by the appropriate oversight agency;
- Identification of budget phases where CSO participation may be allowed;
- Identification of the scope and mechanics of CSO participation;
- In the case of Budget Authorization, the Sanggunian may include the extent of CSO participation in the Internal Rules of Procedure;
- Logistical and other arrangements and concerns of both the LGU and CSOs.
- The terms of engagement should be accepted and formalized by both the LGU and CSO to ensure that both parties adhere to the agreements. It is also essential to conduct regular joint reviews to ensure continued relevance and effectiveness.

ACTIVITY	LGU ROLES	CSO ROLES
<p>1. IHANDA ANG ANNUAL INVESTMENT PLAN (AIP)</p> <p>Ang AIP na inihanda ng LDC ay ang taunang programa ng mga paggasta para sa pagpapatakbo ng LGU na magsisilbing batayan para sa paghahanda ng Taunan at Supplemental na Badyet. Ang AIP, sa pag-apruba ng Sanggunian, ay magsisilbing batayan para sa paghahanda ng executive budget (Item 5.1.5 ng DILG-NEDA-DBM-DOF JMC No. 1, s. 2007).</p>	<p>Ihanda ang AIP na nakaangkla sa Comprehensive Development Plan (CDP) at Local Development Investment Plan (LDIP) na inaprubahan ng Sanggunian. Mag-imbita ng mga kinikilalang CSO sa paghahanda ng AIP.</p>	<p>Kumpirmahin kung nakaayon (consistent) ang AIP sa naaprubahang LDIP na dapat ay naaayon sa naaprubahang CDP; Kung hindi, ihapag ang mga "inconsistencies".</p>
<p>2. PAG-APRUBA NG SANGGUNIAN SA AIP</p>	<p>Mag-imbita ng mga accredited CSO sa mga deliberasyon sa AIP. Magbigay ng kopya ng Sanggunian Resolution na</p>	<p>Kumpirmahin kung naayon ang AIP sa naaprubahang LDIP na dapat ay naaayon sa naaprubahang CDP; Kung</p>

Pinagtibay ng Sanggunian ang resolusyon na nag-aaprubang sa AIP.	nag-aaprubang sa AIP sa mga accredited CSO. Mag-post ng kopyang ng inaprubang AIP alinsunod sa Full Disclosure Policy batay sa existing DILG issuances.	hindi, ihapag ang mga “inconsistencies”.
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### Role ng CSOs sa Budget Preparation Phase

ACTIVITY	LGU ROLES	CSO ROLES
<p><b>1. ISSUE THE BUDGET CALL</b> Ang Budget Call ay isang direktiba mula sa LCE na naglalaman ng mga pangkalahatang layunin, mga desisyon sa patakaran, mga estratehiya, at mga priyoridad na PPA ayon sa sektor/opisina na makikita sa AIP para sa taon ng badyet</p>	<p><b>MAGBIGAY NG KOPYA</b> ng Budget Call sa mga kinikilalang CSO. Isama sa Budget Call ang panawagan para sa mga Department Head na kumunsulta sa mga kinikilalang CSOs.</p>	<p>I-CHECK kung ang mga prayoridad ng Annual Investment Program (AIP) ay naka-highlight sa Budget Call</p>
<p><b>2. PAGLULUNSAK NG BUDGET FORUM</b> Isang araw na forum kung saan ipinapaliwanag ng LBO sa mga Department Head ang mga pangunahing thrust at direksyon ng patakaran, mga pinagmumulan ng kita, mga limitasyon sa paggasta at mga estratehiya sa badyet.</p>	<p><b>IMBITAHAN</b> ang mga Accredited CSOs sa Budget Forum. Ang Budget Forum ay maaaring magbigay ng impormasyon kung bakit ang mga inirerekomendang prayoridad ng mga Accredited CSOs ay hindi kasama sa mga natukoy na PPA.</p>	<p><b>MAKILAHOK</b> sa Budget Forum upang magkaroon ng appreciation sa mga thrust at priority ng LGU para sa budget year na nakapaloob sa Budget Call.</p>
<p><b>3. MAGHANDA AT MAG-SUBMIT NG BUDGET PROPOSALS.</b>  Inihahanda ng bawat Department Heads ang mga panukala sa badyet at isusumite ang mga ito sa LBO para sa review at consolidation.  Kailangang matukoy ang</p>	<p><b>TIYAKIN</b> NG LCE na ang mga Department Head ay kumunsulta sa mga accredited CSOs. Ang Budget Call ay maaaring magsabi na ng ganoong pangangailangan.</p>	<p>Ang kinikilalang kinatawan ng sektor ng CSO ay maaaring makipagtulungan sa mga nauukol na Department Heads sa pagtukoy ng mga target na benepisyaryo at mga kinakailangan sa pagpopondo para sa partikular na sektor. Ang mga CSO ay maaaring magmungkahi ng mga proyekto para sa</p>

<p>inaasahang mga output para sa budget year at mga tinantyang gastos (estimated costs)</p>		<p>pagsasaalang-alang ng mga nauukol na Department Head. Sa mga kaso kung saan ang mga iminungkahing PPA ng CSO ay hindi kasama sa badyet, ang mga CSO ay maaaring humiling ng impormasyon mula sa LGU sa mga dahilan ng hindi pagsasama.</p>
<p><b>MAGSAGAWA NG MGA PAGDINIG SA BADYET</b></p> <p>Ang mga teknikal na pagdinig sa badyet ay isinasagawa ng LFC upang patunayan ang mga pinagmumulan ng kita, mga PPA, mga pagtatantya sa gastos at inaasahang mga output para sa budget year.</p>	<p><b>MAG-IMBITA</b> ng mga accredited CSOs sa mga pagdinig sa badyet kaugnay sa mga alalahanin sa sektor.</p>	<p><b>MAKILAHOK</b> sa mga pagdinig sa badyet upang <b>MAGBIGAY NG MGA INPUTS</b> sa mga sektoral na alalahanin.</p>
<p><b>SURIIN ANG MGA MUNGKAHING BADYET</b></p> <p>Sinusuri ng LFC ang lahat ng panukala sa badyet gamit ang pamantayan ng output at gastos.</p>	<p>Maaaring gayahin ang pinakamahuhusay na kagawian ng iba pang LGU sa pakikipag-ugnayan sa mga CSO sa LFC.</p>	<p>Maaaring gayahin ang pinakamahuhusay na kagawian ng iba pang LGU sa pakikipag-ugnayan sa mga CSO sa LFC.</p>
<p><b>ISUMITE ANG EXECUTIVE BUDGET SA SANGGUNIAN</b></p> <p>Pagkatapos ng consolidation ng panukalang badyet at pag-apruba nito ng LCE, ang LGU ay dapat magsumite ng iminungkahing executive budget hindi lalampas sa Oktubre 16 ng current fiscal year alinsunod sa Seksyon 318 ng RA No. 7160. Ito ay karaniwang ginagawa sa pamamagitan ng isang State of the Province/City/ Municipality Address</p>	<p><b>IMBITAHAN</b> ang mga accredited CSOs sa <b>SOPA/SOCA/SOMA</b></p>	<p><b>DUMALO</b> sa <b>SOPA/SOCA/SOMA</b></p>

(SOPA) kung saan inihaharap ng LCE ang iminungkahing Taunang Badyet sa Sanggunian at iba pang stakeholders.		
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### Role ng CSOs sa Budget Authorization Phase

ACTIVITY	LGU ROLES	CSO ROLES
<p>1. DELIBERASYON NG BADYET Dapat isaalang-alang ng Sanggunian ang Executive Budget bilang isang priority measure na dapat mauna sa lahat ng iba pang nakabinbin at iminungkahing mga hakbang. Bilang tuntunin, ang lahat ng mga sesyon ng Sanggunian ay dapat bukas sa publiko, maliban kung iba ang itinatadhana ng batas (Artikulo 105 [b], IRR ng RA No.7160).</p>	<p>IPASKIL NG SANGGUNIAN ANG ABISO NG ISKEDYUL NG DELIBERASYON NG BUDGET sa tatlong (3) kapansin-pansing lugar nang hindi bababa sa pitong (7) araw bago ang pagsasagawa ng nasabing aktibidad. Mag-imbita ng mga akreditadong CSO na dumalo at magbigay ng mga input sa mga sesyon ng deliberasyon ng badyet, kabilang ang mga pagdinig ng komite.</p>	<p>Sa pagsunod sa Internal Rules of Procedure (IRP) ng Sanggunian, ang mga accredited CSO ay maaaring:</p> <ul style="list-style-type: none"> <li>a. Magbigay ng mga input sa sektoral na alalahanin; at</li> <li>b. Maghain ng mga tanong sa mga pagbabago sa Executive Budget na hindi makikita sa aprubadong AIP.</li> </ul>
<p>2. I-AUTHORIZE ANG TAUNANG BADYET Ang pag-authorize ng Sanggunian sa taunang badyet ay sa pamamagitan ng Appropriation Ordinance (AO).</p>	<p>Maaaring payagan ng Sanggunian ang mga akreditadong CSO na obserbahan ang pagboto para sa pagsasabatas ng AO..</p>	<p>Maaaring obserbahan ng mga akreditadong CSO ang botohan na isinagawa ng Sanggunian.</p>
<p>3. APRUBAHAN ANG A P R O P R I A T I O N ORDINANCE Ang AO na pinagtibay ng Sanggunian ay dapat iharap</p>	<p>Isasaalang-alang ng LCE ang mga pormal na komento at obserbasyon ng akreditadong CSO, kung</p>	<p>Ang mga akreditadong CSO ay dapat ipaalam sa LCE sa pamamagitan ng pagsulat ang kanilang obserbasyon sa deliberasyon at pagsasabatas</p>



<p>sa LCE para sa pag-apruba, kung saan dapat niyang idikit ang kanyang lagda sa bawat pahina nito. Kung hindi, ang LCE ay maaaring gumamit ng kapangyarihan sa pag-veto.</p>	<p>mayroon man, napapailalim sa labinlimang (15) at sampung (10) araw na reglementary period para sa pag-apruba, para sa mga lalawigan, at mga lungsod o munisipalidad, ayon sa pagkakabanggit, ayon sa Seksyon 54 (b), RA No. 7160.</p>	<p>ng AO, na napapailalim sa naaangkop na reglementary period.</p>
<p>4. I-POST ANG APPROPRIATION ORDINANCE Ang Sanggunian ay kinakailangang ipaskil ang AO, sa Filipino, Ingles at lokal na diyalekto, sa isang bulletin board sa pasukan ng kapitolyo o lungsod, o municipal hall, ayon sa sitwasyon, at sa hindi bababa sa dalawang iba pang nakikitang lugar sa kinaauukulang yunit ng pamahalaang lokal (Section 59 [a at b], RA No. 7160).</p>	<p>IPATUPAD ang Full Disclosure Policy alinsunod sa umiiral na mga issuances ng DILG. Sumunod sa posting requirement sa ilalim ng Seksyon 59 (a at b), RA No. 7160.</p>	<p>I-MONITOR ang pag-post ng naaprubahang AO at tumulong sa pagpapaalam nito sa publiko.</p>

#### Role ng CSOs sa Budget Review Phase

ACTIVITY	LGU ROLES	CSO ROLES
<p>1. ISSUE THE REVIEW ACTION</p> <p>Ang reviewing authority ay maaaring ideklara ang AO bilang:</p>	<p>Kung pinahihintulutan ng terms of arrangement sa pagitan ng LGU at CSO, maaaring magbigay ang LGU ng kopya ng review letter sa mga accredited CSO.</p>	<p>I-CHECK ang compliance ng LGU sa review findings.</p>

a) operative in its entirety; b) operative in its entirety, subject to conditions; c) inoperative in its entirety; or d) inoperative in part.		
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### Role ng CSOs sa Budget Execution Phase

ACTIVITY	LGU ROLES	CSO ROLES
<p>1. <b>PAG-RELEASE NG MGA ALLOTMENT (LBM/ARO)</b> Ang Local Budget Matrix (LBM) ay ini-issue upang maipatupad ang komprehensibong pagpapalabas ng allotment para sa isang Departamento/Tanggapan. Ang pagpapalabas ng mga reserve amounts ay dapat isakatuparan sa pamamagitan ng paggamit ng Allotment Release Order/s (ARO/s).</p>	<p>MAG-POST ng impormasyon tungkol sa allotment releases (LBM/SAROs) sa tatlong (3) kitang-kitang lugar sa LGU sa loob ng dalawampung (20) araw mula sa paglabas ng allotment.</p>	<p>I-MONITOR ang pagsunod ng LGU sa pagpapalabas ng mga alokasyon. Ipaalam sa mga benepisyaryo at mga komunidad na may kinalaman sa pagpapalabas ng mga alokasyon sa pamamagitan ng tri-media o magsagawa ng mga pagpupulong sa mga benepisyaryo at komunidad na kinauukulan.</p>
<p>2. <b>I-POST ANG STATEMENT OF RECEIPTS AND EXPENDITURES SA LGU WEBSITE</b></p> <p>Ang LGU ay dapat mag-post ng buwanang Statement of Receipts and Expenditures sa loob ng sampung (10) araw pagkatapos ng katapusan ng buwan alinsunod sa Seksyon 513 ng RA No. 7160.</p>	<p>MAG-POST ng impormasyon sa mga resibo at paggasta sa tatlong (3) kapansin-pansing lugar sa LGU sa loob ng sampung (10) araw pagkatapos ng katapusan ng buwan alinsunod sa Seksyon 513 ng RA No. 7160; at sa loob ng dalawampung (20) araw pagkatapos ng pag-apruba ng LCE ng Taunang Ulat ng mga Resibo at Paggasta gaya ng iniaatas sa ilalim ng Full Disclosure Policy ng DILG.</p>	<p>I-MONITOR ang mga pag-post ayon sa kinakailangan sa ilalim ng RA No. 7160 at ang Full Disclosure Policy ng DILG. Itaguyod ang kamalayan ng mamamayan sa naka-post na impormasyon sa pamamagitan ng trimedia.</p>
<p>3. <b>IHANDA ANG CASH PROGRAM AND FINANCIAL AND PHYSICAL</b></p>	<p>MAG-POST ng impormasyon sa mga sumusunod: a. Cash Program b. Financial and Physical Performance</p>	<p>I-MONITOR ang pagsunod ng LGU sa paghahanda ng cash program at financial at physical performance targets.</p>

<p><b>PERFORMANCE TARGETS</b></p> <p>Dapat ihanda ng Treasurer ang Cash Program. Ang [LFC] / Mga Pinuno ng Departamento ay dapat maghanda ng Summary of Financial and Physical Performance Targets para sa buong taon. Ang detalyadong financial and performance targets ay nagpapakita ng quarterly breakdown ng pampinansyal na alokasyon na kailangan upang makamit ang isang partikular na antas ng target.</p>	<p>Targets sa tatlong (3) kapansin-pansing lugar sa LGU sa loob ng dalawampung (20) araw pagkatapos ng pagtatapos ng bawat quarter.</p>	<p>Ipaalam sa mga benepisyaryo at komunidad na may kinalaman sa impormasyon sa pamamagitan ng tri-media o magsagawa ng mga pagpupulong kasama ang mga benepisyaryo at komunidad na kinauukulan.</p>
<p><b>4. MAGLAAN AT MAGBIGAY NG PONDO PARA SA IMPLEMENTASYON NG PPAS – PROCUREMENT PROCESS</b></p> <p>Upang mapahusay ang transparency ng procurement process, ang BAC ay dapat, sa lahat ng mga yugto ng proseso ay mag-imbata, bilang karagdagan sa kinatawan ng Commission on Audit, ng hindi bababa sa dalawang (2) tagamasid na mauupo sa mga proceedings nito, isa (1) mula sa isang nararapat na kinikilalang pribadong grupo sa isang nararapat na kinikilalang pribadong grupo sa isang sektor o disiplina na may kaugnayan sa nasabing procurement.</p>	<p><b>MAG-IMBITA</b> ng mga akreditadong CSO, kung kwalipikado bilang mga tagamasid, sa procurement process, nang hindi bababa sa tatlong (3) ara bago ang bawat procurement activit bilang pagsunod sa Governmen Procurement Reform Act, RA No. 9184.</p>	<p><b>DUMALO</b> bilang tagamasid sa procurement process at tuparin ang mga responsibilidad na ibinigay sa ilalim ng Seksyon 13.4 ng IRR ng RA No. 9184. Maaaring gamitin bilang sanggunian ang Procurement Observers Guide (POG) na inisyu ng GPPB.</p>
<p><b>IMPLEMENTASYON NG PPA.</b> Ang responsibilidad para sa pagpapatupad ng Annual at</p>	<p><b>MAG-IMBITA</b> ng mga akreditadong CSO na mag-spot check o subaybayan</p>	<p><b>MAKILAHOK</b> sa spot check o pagsubaybay sa pagpapatupad ng mga</p>

<p>Supplemental Budget ay dapat ibigay pangunahin sa kinauukulang LCE. Sa pagpapatupad ng mga PPA, dapat tiyakin ang mg sumusunod:</p> <ul style="list-style-type: none"> <li>• quality of work</li> <li>• standards of service</li> <li>• timelines of implementation pricing of goods, contracts and services</li> <li>• PPA fund release/ utilization</li> <li>• proper delivery to target beneficiaries</li> </ul>	<p>ang pagpapatupad ng mga kasalukuyang proyekto. (Maaarin maiiba ito sa aktibidad sa pagsubaybay sa Budget Accountability Phase na ginagawa sa mga nakatakdang panahon, ibig sabihin, quarterly, mid-term at taunan.</p>	<p>kasalukuyang proyekto at maghanda ng Project Monitoring Report para isumite sa LCE.</p>
<p><b>5. I-ADJUST CASH PROGRAM PARA SA MGA SHORTAGE AT OVERAGES</b></p> <p>Ang LFC, sa pamamagitan ng Lokal na Ingat-yaman, ay dapat gumamit ng mga resultang pagsusuri sa daloy ng salapi (cash flow analysis) bilang batayan parasa pagsasaayos ng Programa ng Pananalapi at ang mga pinansiyal at pisikal na mga target (financial and physical targets).</p>	<p>MAG-POST ng impormasyon sa adjusted Cash Program sa tatlong (3) kapansin-pansing lugar sa LGU sa loob ng dalawampung (20) araw pagkatapos ng bawat quarter.</p>	<p>I-MONITOR ANG LGU COMPLIANCE sa preparasyon ng adjusted cash program, at financial at physical performance targets.</p>
<p><b>6. MAGBIGAY NG MGA PAGWAWASTO PARA SA NEGATIVE DEVIATIONS</b></p> <p>Ang LFC ay dapat ihambing ang actual performance ng kapwa financial at physical accomplishments visà-vis ng targets para sa quarter. Para sa mga pagkakaiba-iba, ang mga Department Heads ay magsasagawa ng mga aksyong</p>	<p>MAGBIGAY ng mga ulat sa mga aksyong ginawa upang matugunan ang mga negatibong paglihis. Magbigay ng mga kopya ng mga catch-up plan sa mga kinauukulang partido. Makipagtulungan sa mga kinikilalang CSO sa pagtugon sa mga kakulangan sa serbisyo at kilalanin ang kontribusyon ng mga CSO.</p>	<p>I-MONITOR ang mga naaangkop na interbensyon at hakbang na ginawa ng LGU sa mga negatibong paglihis. Tulungan ang LGU sa pagpapatupad ng naaangkop na mga interbensyon sa mga negatibong paglihis, na maaaring kabilang ang pagbibigay ng posibleng suporta para sa serbisyo at/o mga kakulangan sa mapagkukunan sa paghahatid</p>

pagwawasto o maghanda ng mga kinakailangang pagsasaayos upang makasabay sa mga plano para sa taon.		ng mga serbisyo.
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### Role ng CSOs sa Budget Accountability Phase

ACTIVITY	LGU ROLES	CSO ROLES
<p><b>1. I-MONITOR ANG MGA OUTPUT AT RESULTA NG MGA PPA</b></p> <p>Ang mga appropriations na naitala sa mga aklat ay ihahambing sa aktwal na mga koleksyon at mga disbursement para sa parehong panahon. Ang mga paggasta ay sinusubaybayan vis-à-vis sa mga output at mga nagawa.</p>	<p><b>MAG-IMBITA</b> ng mga akreditadong CSO na lumahok sa mga local project monitoring activities.</p> <p>Mag-post ng impormasyong pinansyal sa tatlong (3) kapansin-pansing lugar sa LGU sa loob ng dalawampung (20) araw pagkatapos ng pagtatapos ng bawat quarter. Mag-imbita ng mga akreditadong CSO sa midyear at year-end assessment ng kabuuang performance ng LGU. Mag-imbita ng akreditadong CSO sa pagtatasa ng epekto ng mga programa at proyekto, at ang pangkalahatang pagganap ng LGU. Gamitin ang magagamit at umiiral na mga tool sa pagsubaybay tulad ng Citizens Satisfaction Report Card (mula sa CODE-NGO) at ang LGU Fiscal Sustainability Scorecard (mula sa BLGF).</p>	<p><b>LUMAHOK</b> sa mga local project monitoring activities. Pahasayin ang sariling teknikal na kakayahan ng mga CSO sa pagsubaybay sa proyekto. Subaybayan ang pagpapatupad ng PPA at suriin ang mga sumusunod:</p> <ul style="list-style-type: none"> <li>• standards of service</li> <li>• quality of work</li> <li>• timeliness of implementation</li> <li>• pricing of goods, contracts, and services</li> <li>• PPA fund release/ utilization</li> <li>• proper delivery to target beneficiaries.</li> </ul> <p>Magbigay ng mga rekomendasyon batay sa mga resulta ng pagsubaybay. Ayusin ang forum ng mga mamamayan sa LGU para magbigay ng feedback sa komunidad.</p> <p>Aktibong lumahok sa pagtatasa ng epekto ng mga programa at proyekto at ng pangkalahatang pagganap ng LGU.</p> <p><b>MAG-IMBITA</b> ng mga akreditadong</p>

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