



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT

Francisco Gold Condominium II
EDSA Cor. Mapagmahal St., Diliman
Quezon City



MEMORANDUM CIRCULAR : NO. 2011-08

**TO : ALL PROVINCIAL GOVERNORS, CITY AND MUNICIPAL MAYORS
PRESIDING OFFICERS OF THE SANGGUNIANG PANLALAWIGAN,
SANGGUNIANG PANLUNGSOD, SANGGUNIANG BAYAN, ARMM
REGIONAL GOVERNOR AND DILG REGIONAL DIRECTORS**

**SUBJECT : STRICT ADHERENCE TO SECTION 90 OF REPUBLIC ACT NO.
10147, GENERAL APPROPRIATIONS ACT, FISCAL YEAR 2011**

DATE : 13 January 2011

Legal and Administrative Authority

- **Section 90 of Republic Act No. 10147 (General Appropriations Act) FY 2011 re "Use and Disbursement of Internal Revenue Allotment of LGUs", stipulates: The amount appropriated for the LGU's share in the Internal Revenue Allotment shall be used in accordance with Sections 17 (g) and 287 of R.A. No 7160. The annual budgets of LGUs shall be prepared in accordance with the forms, procedures, and schedules prescribed by the Department of Budget and Management and those jointly issued with the Commission on Audit. Strict compliance with Sections 288 and 354 of R.A. No. 7160 and DILG Memorandum Circular No. 2010-83, entitled "Full Disclosure of Local Budget and Finances, and Bids and Public Offering", is hereby mandated: *PROVIDED, That in addition to the publication or posting requirement under Section 352 of R.A. No. 7160 in three (3) publicly accessible and conspicuous places in the local government unit, the LGUs shall also post the detailed information on the use and disbursement, and status of programs and projects in the LGUs websites. Failure to comply with these requirements shall subject the responsible officials to disciplinary actions in accordance with existing laws. (underscoring ours).***
- **Administrative Order No. 267, s. 1992, titled, Delegating Certain General Supervisory Powers of the President Over Local Governments to the Secretary of Interior and Local Government**
- **Commission on Audit Internal Memorandum, dated October 8, 2010, enjoining concerned COA officials and auditors to monitor management's compliance to DILG Memorandum Circular No. 2010-083, and any deviation therefrom or non-compliance therewith shall be a subject of an Audit Observation Memorandum, and eventually forms part of the Annual Audit Report or Management Letter, if necessary.**

Documents and Transactions to be Posted

In particular, as stipulated in the DILG Memorandum Circular No. 2010-83 dated August 31, 2010, the following documents and transactions shall be posted in the website, in conspicuous places within local government-owned public buildings and in print media of community or general circulation:

Republic of the Philippines
DEPARTMENT OF THE INTERIOR
AND LOCAL GOVERNMENT
IN REPLYING, PLS CITE:

OSEC11-000198



1. Annual Budget Report, information detail to the level of personal services, maintenance and other operating expenses and capital outlay per individual offices (Local Budget Preparation Form No. 3, titled, Program Appropriation and Obligation by Object of Expenditure, limited to PS, MOOE and CO, (Sample Form attached as Annex "A");
2. Quarterly Statement of Cash Flows, information detail to the level of particulars of cash flows from operating activities (e.g. cash inflows, total cash inflows, total cash outflows), cash flows from investing activities (e.g. cash outflows), net increase in cash and cash at the beginning of the period (Sample Form attached as Annex "B");
3. Statement of Receipts and Expenditures, information detail to the level of particulars of beginning cash balance, receipts or income on local sources indicating past year's actual and current year's estimated receipts and expenditures (e.g. tax revenue, non-tax revenue), external sources, and receipts from loans and borrowings, surplus of prior years, expenditures on general services, economic services, social services and debt services, and total expenditures (Local Budget Preparation (LBP) Form No. 2, titled Statement of Receipts and Expenditures, Sample Form attached as Annex "C");
4. Trust Fund (PDAF) Utilization, information detail to the level of particulars of object expenditures (Local Budget Preparation Form No. 3, titled, Program Appropriation and Obligation by Object of Expenditure, limited to PDAF Utilization, (Form same as Annex "A");
5. Quarterly Report of SEF (Special Education Fund) Utilization, information detail to the level of particulars of object expenditures (SEF Budget Accountability Form No. 1 Source: Budget Operations Manual for LGUs (Sample Form attached as Annex "D");
6. 20% Component of the IRA Utilization, information detail to the level of particulars of objects of expenditure on social development, economic development and environmental management, LBP Form No. 3, limited to 20% component of the IRA (Form same as Annex "A");
7. Annual GAD Accomplishment Report, information detail to the level of implementation of GAD budget attributed in the existing programs, projects and activities of LGUs (Sample Form attached as Annex "E");
8. Statement of Debt Service, information detail to the level of name of creditor, purpose of loan, date contracted, term, principal amount, previous payment made on the principal and interest, amount due for the budget year and balance of the principal (LBP Form No. 6, Sample Form attached as Annex "F");
9. Annual Procurement Plan or Procurement List, information detail to the level of name of project, individual item or article and specification or description of goods and services, procurement method, procuring office or fund source, unit price or estimated cost or approved budget for the contract and procurement schedule (Sample Form attached as Annex "G");
10. Items to Bid, information detail to the level of individual Invitation to Bid, containing information as prescribed in Section 21.1 of the IRR of Republic Act No. 9184, or The Government Procurement Reform Act, to be updated quarterly (Sample Form attached as Annex "H");
11. Bid Results on Civil Works, and Goods and Services, information detail to the level of project reference number, name and location of project, name (company and proprietor) and address of winning bidder, bid amount, approved budget for the contract, bidding date, and contract duration, to be updated quarterly (Sample Form attached as Annex "I"); and

12. Abstract of Bids as Calculated, information detail to the level of project name, location, implementing office, approved budget for the contract, quantity and items subject for bidding, and bids of competing bidders, to be updated quarterly (Sample Form attached as Annex "J").

Frequency of Posting

These shall be posted on the dates hereunder prescribed:

Type of Report	Period of Posting
A. <u>Annual</u>	
1. Annual Budget Report	On or before January 15 of each year or not later than 15 days after approval of the Local Sanggunian
2. Annual Procurement Plan or Procurement List	On or before January 31 of each year
3. SEF Income and Expenditure Estimates	One (1) week after the approval by the Local School Board of the SEF Income and Expenditure Annual Report
4. Statement of Debt Service	One (1) week after the approval of Local Chief Executive (LCE) of the Statement of Debt Service Annual Report
5. Annual GAD Accomplishment Report	Not later than the end of January of the ensuing year
6. Statement of Receipts and Expenditures	One (1) week after approval of the local Chief Executive of the Statement of Receipts and Expenditures Annual Report
B. <u>Quarterly</u>	
1. Quarterly Statement of Cash Flow	Within 10 days after the end of every quarter
2. Items to be Bid	Within the prescribed period under the Government Procurement Reform Act and its IRR, and to be updated quarterly
3. Report of SEF Utilization	One (1) week after the end of each quarter
4. Trust Fund (PDAF) Utilization	One (1) week after the end of each quarter
5. Bid Results on Civil Works and Goods and Services	Within the prescribed period under the Government Procurement Reform Act and its IRR, and to be updated quarterly
6. Abstract of Bids as Calculated	Within the prescribed period under the Government Procurement Reform Act and its IRR, and to be updated quarterly
7. 20% Component of the IRA Utilization	One (1) week after the end of each quarter
C. <u>Monthly</u>	
1. Supplemental Procurement Plan	NLT 15 days after approval by the Head of Procuring Unit

Sanctions

Non-compliance with the foregoing shall be dealt with in accordance with pertinent laws, rules and regulations. In particular, attention is invited to the provision of the Local Government Code of 1991, quoted as follows:

Section 60. Grounds for Disciplinary Actions - An elective local official may be disciplined, suspended, or removed from office on: (c) Dishonesty, oppression, misconduct in office, gross negligence, or dereliction of duty. (emphasis supplied).

Responsibilities of the DILG Regional Director, or ARMM Regional Governor

The DILG Regional Director, or the ARMM Regional Governor shall:

1. Cause the immediate and widest dissemination of this Memorandum Circular;
2. See to it that this Circular is effectively communicated and understood by local authorities;
3. Monitor local government compliance;
4. Ensure the posting by local authorities of the above-listed financial documents and transactions in the website, in conspicuous places within local government-owned public buildings, and in print media of community or general circulation;
5. In the event that a local government does not have a website, effect the posting of such financial documents and transactions through the DILG Regional Office website or the DILG Central Office website; and
6. Submit Compliance Report to the Office of the Secretary, through the Bureau of Local Government Supervision every quarter starting this current year.

Effectivity

This Memorandum Circular shall take effect immediately.


JESSE M. ROBREDO
Secretary



Republic of the Philippines
DEPARTMENT OF THE INTERIOR
AND LOCAL GOVERNMENT
IN REPLYING, PLS CITE:
SILG11-003142



**PROGRAMMED APPROPRIATION AND OBLIGATION
BY OBJECT OF EXPENDITURE**

OFFICE / SPECIAL PURPOSE APPROPRIATIONS:

Object of Expenditure (1)	Account Code (2)	Past Year (3)	Current Year (4)	Budget Year (5)
1.0 Current Operating Expenditures				
1.1 Personal Service				
Salaries & Wages-Regular				
Salaries & Wages-Others				
1.2 Maintenance & Other				
Operating Expenses				
Travel Expenses				
Training and Scholarship Expenses				
2.0 Capital Outlay				
Buildings & Other Structures				
Office Equipment				
Land Transport Equipment				
3.0 Financial Expenses				
Total Appropriations				
Prepared:	Reviewed:	Approved:		
Department Head	Local Budget Officer	Local Chief Executive		

STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2010

<i>(In Philippine Pesos)</i>	<i>Notes</i>	<i>Year 1</i>	<i>Year 2</i>
CASH FLOWS FROM OPERATING ACTIVITIES			
Total Comprehensive Income			
Adjustment for:			
Provided by Operating Activities			
Depreciation and Amortization			
Adjustments to Reconcile Net Surplus to Net Cash			
<hr/>			
Operating Income before Working Capital Changes			
Changes in Assets and Liabilities			
(Increase) Decrease in Assets:			
Loans Receivables			
ACL Receivables			
Investment in Treasury Bills			
Increase (Decrease) in Liabilities			
Trade and Other Payables			
Insurance Policy and Contracts			
<hr/>			
Net Cash Provided by (Used in) Operating Activities			
<hr/>			
CASH FLOWS FROM OPERATING ACTIVITIES			
Acquisition of Property and Equipment			
<hr/>			
Net Cash Provided by (Used in) Investing Activities			
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CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(Decrease) in Member's Equity			
<hr/>			
Net Cash Provided by (Used in) Financing Activities			
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NET INCREASE/(DECREASE) IN CASH			
CASH AT THE BEGINNING OF THE YEAR			
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CASH AT THE END OF THE YEAR			
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LBP Form No. 2

STATEMENT OF RECEIPTS AND EXPENDITURES

Provincial/City/Municipality

General Fund

Particulars (1)	Account Code (2)	Past Year (Actual) (3)	CURRENT YEAR APPROPRIATION		
			First Semester (Actual) (4)	Second Semester (Estimate) (5)	TOTAL (6)
I. Beginning Balance					
II. Receipts					
A. Local Sources					
1. Tax Revenue					
a. Real Property Tax					
b. Special Education Tax					
c. Other Local Taxes					
Total Tax Revenue					
2. Non-Tax Revenue					
a. Regulatory Fees					
1. License Fees					
2. Permit Fees					
3. Other Fees					
b. Business and Service Income					
c. Other Income/Receipts					
Total Non-Tax Revenue					
B. External Sources					
1. Share from National Internal Revenue Taxes (IRA)					
2. Share from GOCCs					
3. Other Shares from National Tax Collections					
a. Share from Ecozone					
b. Share from EVAT					
c. Share from National Wealth					
d. Share from Tobacco Excise Tax					
4. Extraordinary Receipts					
a. Grants and Donations					
b. Other Subsidy Income					
5. Inter-local Transfers					
a. Subsidy from LGUs					
b. Subsidy from Other Funds					
6. Capital/Investment Receipts					
a. Gain on Sale Assets					
b. Gain on Investments					
C. Receipts from Loans and Borrowings					
Total Receipts (I + II)					

REPORT OF SEF UTILIZATION
For the Quarter Ending ____

Province/City Municipality _____

Receipt from SEF P _____

Less : DISBURSEMENTS (broken down by expense class and by object of expenditure)

Personal Services

Maintenance and Other Operating Expenses

Capital Outlay

Financial Expenses

Sub-total _____
Balance P _____

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Prepared by :

Local Accountant

Approved by:

LCE, Chairman, LSB

ANNUAL GAD ACCOMPLISHMENT REPORT
FY 2010

Program/Activity/ Project (1)	Gender Issue (2)	GAD Activity (3)	Results (4)	Cost (5)	Remarks (6)
Prepared by:		Approved by:		Date	
CHAIRPERSON OF GAD FOCAL POINT				DAY/MO/YR	

Republic of the Philippines
 Budget Year _____
 Province of _____
 City of _____
GENERAL FUND

Creditor (1)	Date Contracted (2)	Term (3)	Principal Amount (4)	Previous Payment Made (5)			Amount Due (Budget Year) (6)			Balance of the Principal (7)
				Principal	Interest	Total	Principal	Interest	Total	
TOTAL										

Certified Correct :

Noted :

City Accountant

City Mayor

ANNUAL PROCUREMENT PROGRAM
CALENDAR YEAR _____

Name of Local Government Unit: Program Control No.		PLANNED AMOUNT					Date Submitted:					
Department/Office:		Regular	Contingency	Total	DISTRIBUTION							
Item No.	Description	Unit	Qty.	Unit Cost	1st Quarter		2nd Quarter		3rd Quarter		4th Quarter	
					Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
		Total Cost										
TOTALS												

This is to certify that the above procurement program is in accordance with objectives of the LGU

Recommended by:

Approved by:

City General Services Officer

LCE

BID FORM

Date _____
 Invitation to Bid No. _____

 (Office)

 (Address)

Gentlemen and/or Ladies:

Having examined the Bidding Documents including Bid Bulletin _____, the receipt of which is hereby duly acknowledged, we, the undersigned, offer to _____ in conformity with the said Bidding Documents in accordance with the schedule of prices:

Article / Description	Total Amount

We undertake, if our bid is accepted, to _____ in accordance with the delivery schedule specified in the Schedule of Requirements.

If our Bid is accepted, we undertake to provide a performance security in the form, amounts and within the times specified in the Bidding documents.

We agree to abide by this Bid and validity of our bid until _____, 2011 and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

Commission or gratuities, if any, paid or to be paid by us to agents relating to this Bid, and to contract execution if we are awarded the contract, are listed below:

Name and Address of Agency	Amount and Currency	Purpose of Commission or Gratuity

(If none, state "None")

Until a formal contract is prepared and executed, this Bid, together with your written acceptance thereof and your Notice of Award, shall be binding upon us.

We understand that you are not bound to accept the lowest or any bid you may receive.

We certify/confirm that we comply with the eligibility requirements per ITB Clause 5 of the Bidding Documents.

____th day of _____, 2011.

 Signature

 (In the capacity of)

Duly authorized to sign Bid for and in behalf
 of _____

Republic of the Philippines
GOODS AND SERVICES BID-OUT

OFFICE:

REFERENCE NO.	DATE OF BIDDING	ITEM DESCRIPTION	ABC	BID AMOUNT	WINNING BIDDER/S	NAME & ADDRESS OF BIDDER

COMMITTEE ON BIDS AND AWARDS:

_____ Chairman

_____ Vice-Chairman

_____ Members

