

DILGinsider



Administrative Order No. 46

Improving Budget Utilization



To help contribute to the campaign for “better government spending”, the Department of the Interior and Local Government (DILG) held a briefing to all Bureau and Regional Directors on Administrative Order (AO) No. 46 to facilitate the budget execution for FY 2015 headed by Assistant Secretary Ester A. Aldana.

Director Francisco R. Cruz of Planning Service led the discussion on the framework of the Department’s budget priorities for 2016, anchoring on four (4) priority objectives: (1) Making growth inclusive; (2) Sustaining the growth momentum; (3) Managing disaster risks; and (4) Pursuing good governance and anti-corruption.

Meanwhile, Undersecretary Austere A. Panadero provided the direction to the participants by reminding them to continue the proper monitoring of projects and programs in their respective regions and comply with the timeline and requirements set by the Department of Budget and Management (DBM).

What is AO No. 46?

AO No. 46, entitled “DIRECTING ALL HEADS OF DEPARTMENTS AND AGENCIES TO IMPLEMENT MEASURES TO FACILITATE BUDGET EXECUTION FOR FISCAL YEAR (FY) 2015”, requires agencies to complete their project listings under the 2015 national budget and submit the documentary requirements for fund release.

What agencies are covered by AO No. 46?

All national government agencies (NGAs) of the Executive Branch and GOCCs are under AO No. 46.

What are the other documents needed for submission?

Agencies should submit quarterly financial and physical plans and targets in implementing their programs and projects to the Department of Budget and Management (DBM) and the

Office of the Cabinet Secretary (OSC).

Furthermore, NGAs are directed to submit Budget and Accountability Reports (per DBM-COA Joint Circular No. 1 s. 2014) to DBM cc CabSec at the end of each quarter.

Are there new procurement measures?

Yes. Agencies will assign the Secretariats of Bids and Awards Committee (BAC) as full-time support staff while BAC members and Technical Working Groups (TWGs) will be required to prioritize procurement assignments over all other duties.

Moreover, key departments such as the Department of Transportation and Communications (DOTC), the Department of Public Works and Highways (DPWH), the Department of Education (DepEd), the Department of Health (DOH), and the Department of Social Welfare and Development (DSWD) need to increase the number of BACs.

Who will monitor the project implementation?

A full-time personnel and an officer not lower than the rank of an Undersecretary, will be designated to oversee the implementation and execution of each program and project.

What are the tasks of the full-time responsible officer?

The officer shall:

1. Ensure execution and delivery of services, outputs and outcomes according to the program implementation;
2. Identify, by the end of the first quarter, agency programs and projects with historical trends of low disbursement rates and those with anticipated delays;
3. Come up with an agency delivery and execution strategy to address anticipated bottlenecks and delays of these programs and projects; and
4. Work closely with the DBM for quarterly monitoring and evaluation of project execution in order to promptly carry out remedial measures.

With AO No. 46 in effect, NGAs of the Executive Branch and GOCCs are fully guided in budget utilization that, essentially, will redound to better financial performance. **Daryl M. Jaramilla**

