



Republic of the Philippines
DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT

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MEMORANDUM

TO : REGIONAL DIRECTORS, PDMUs, BUDGET OFFICERS,
ACCOUNTANTS of Regions 1, CAR, II, III, IV-A, IV-B, V, VI, VII, VIII, IX,
X, XI, XII, XIII & ARMM

SUBJECT : GUIDELINES IN THE UTILIZATION OF DILG MONITORING AND
OPERATIONAL FUNDS UNDER SALINTUBIG & GRASSROOTS
PARTICIPATORY BUDGETING PROCESS (GPBP)

DATE : March 11, 2014

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1. In relation to FY 2014 implementation of the Provision of Potable Water Supply (SALINTUBIG) and Grassroots Participatory Budgeting Process (GPBP)-Water Projects of DILG under the Office of Project Development Services (OPDS), one strategy to fast track the implementation and completion of committed targets is to hire Engineers who can provide technical assistance to the LGU Beneficiaries during the various stages of project preparation and implementation. Consequently, the provision of corresponding monitoring and operation funds to the DILG Regions is necessary to ensure that project monitoring and provision of technical assistance to the LGUs are implemented.

1.1 Engagement of Technical Engineers

1.1.1 The Engineers to be engaged are expected to:

- Assist the PDMU Chief concerned in the review of the project proposals, bid documents and bid evaluation reports, and detailed engineering design.
- Prepare official recommendation for the approval of the project proposals and detailed engineering design.
- Provide follow-through technical assistance and advisory to the LGUs in the preparation of the project proposals, bid documents, and detailed engineering design.
- Conduct site validation of the proposed projects prior to the approval of the proposals; conduct work accomplishments validation prior the release of funds. Validate the consistency of work accomplishments with the fund utilization.
- Attend pre-bid conferences and bid openings and ensure that the LGUs comply with policies and requirements of RA 9184.
- Attend to various consultation processes, initiated by the ROs/LGUs together with the DILG-CO
- Prepare the regional project monthly accomplishments reports for submission to the DILG Regional Director and the OPDS Director.
- Serve as resource persons/facilitators during the workshops being conducted at the regional level.

- 1.1.2 The hiring of Engineers shall undergo the procurement process of the Regional Office (RO) and shall be paid a monthly compensation of P30,474.00 (Engineer III-Salary Grade 19) to be effective upon the date of the contract to be issued by the RO.
- 1.1.3 The salaries of the Engineers is charged against the 2014 GAA of the Provision of Potable Water Supply and the P60 Million Fund on the Monitoring and Evaluation of Bottom-Up Projects for Water Supply.
- 1.1.4 The hiring shall consider transparency by posting the requirements in the DILG Region websites in at least 7 calendar days.

1.2 Provision of Monitoring and Operational Funds

- 1.2.1 Monitoring and operational funds shall likewise be provided to the DILG Regional Offices and Provinces involved in the regular monitoring of activities of their respective target LGUs. This includes the provision of minimal cost for supplies, gasoline, travelling and transportation expenses, communication and cost for meetings/seminars and workshops of the Regional Office.
2. The Monitoring and operational fund together with the salaries of the Engineers shall be charged against the 2014 GAA under the Provision of Potable Water Supply (SALINTUBIG) and the P60 Million Monitoring and Evaluation of Bottom-Up Projects for Water Supply.
 3. The monitoring and operational fund shall be used to fund the necessary expenses related to the said monitoring covering the duration of the activity for the months it shall be conducted. (March 1 to December 31, 2014).
 4. The procedures for cash advances, reimbursements, disbursements and liquidation of funds are provided hereunder:
 - 4.1. Upon request from OPDS to FMS, all requests for the transfer of funds to the Regional Office to fund Various Capacity Development activities, Monitoring/Operational funds and salaries of the Engineer shall be sub-allotted by DILG Central Office. Its corresponding Notice of Transfer Allocation (NTA) shall likewise be issued by DILG Central Office to the respective Regional offices.
 - 4.2. The funds for the infrastructure investment shall be released by DBM to the MDS 101 account of the ROs, the RO shall book up the NCA released as "Subsidy from National Government" (4-03-01-010);
 - 4.3. The releases from the Central Office (CO) shall include allocated amount intended for the respective Provinces involved in the implementation of the above Programs where the concerned Provinces may request their reimbursements to the RO in case fund transfer to the Provinces is not allowed;

- 4.4. Within fifteen (15) days after the end of the month, the RO shall submit a monthly Report of Disbursement (ROD) to DILG-CO-FMS cc: OPDS for the expenditures incurred;
 - 4.5. Succeeding releases shall be made after a 20% liquidation of the previous releases have been submitted to DILG-CO-FMS cc: OPDS;
 5. The funds will be disbursed solely for the purpose indicated under section #3. This will be accounted only for:
 - 5.1 *Travelling expenses-local (50201010-00)*, which include transportation and per diems (only approved rates/fare within the municipalities/places to be monitored shall be allowed);
 - 5.2 *Communication (50213030-06)* expenses, which include: (i) telephone bills (mobile) with corresponding Official Receipt (OR) for the purchased cell cards used in doing coordination activities within the National, Regional/Provincial/Municipal and Barangay levels within the municipality and (ii) courier expenses in sending out necessary reports;
 - 5.3 *Training/meeting (50202010-00)* expenses, which include cost for meals, snacks for seminar/workshops/meetings at the Regional/Provincial/Municipal/Barangay and community level;
 - 5.4 *Office Supplies (50203010)*, for consumable items to be used in preparing reports of accomplishments and conduct of the monitoring and meetings/seminars and workshops and;
 - 5.5 *Supplies & Materials (Gasoline expenses) (50203000-00)*, for gasoline, oil lubricant expenses used for mobility in monitoring and evaluating the physical and financial accomplishments of the target LGUs.
 6. Liquidation of cash advances shall be submitted to the DILG Central Office thru the Accounting Division, copy furnished OPDS-WSSU. If fund release is by tranche, stamp-received RODs by the RO-COA shall be accepted. Upon completion of the project or at year end, the RODs to be submitted must be duly verified by the RO-COA.
 7. **Monitoring and Evaluation**
 - 7.1 The following shall be used in monitoring the Projects and Programs:
 - a. Spreadsheet Tracking System to monitor the compliance of LGUs in the various stages of project implementation
 - b. Alert Mechanism to ensure timely resolution of project issues that may arise before, during and after subproject implementation
 - c. M & E forms prescribed by DILG PMOs with photos attached
 - d. Technology or gadgets in documenting the project physical accomplishment.
 - 7.2 Specific areas to be monitored include the following:

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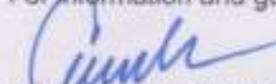
- a. All phases of subproject implementation, whenever necessary
- b. Progress monitoring of all SALINTUBIG and GPBP subprojects funded by DILG
- c. Physical status and accomplishment of the Project
- d. Financial status to include utilization/disbursement rates
- e. Problems encountered and recommended solutions
- f. Assumption/risk analysis
- g. Compliance to the provisions of the MOA between the DILG and the LGUs, and the Project Implementation Guidelines
- h. Installation of subproject billboards in accordance with COA Circular No. 2013-004 dated January 30, 2013

7.3 Notation of the deviations outside the standard and the reasons for such deviation as well as its consequences;

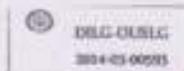
7.4 Calling the attention of the concerned officials on the deviations or violations committed so that immediate interventions could be provided to minimize adverse consequences;

8. In all cases, these procedures and guidelines shall conform to the relevant accounting and auditing rules and regulations.
9. The Terms of Reference and the template of the contract of the Engineer III is attached for your reference

For information and guidance.



AUSTERE A. PANADERO
Undersecretary for Local Government



TERMS OF REFERENCE (TOR) OF THE ENGINEERS

REGIONAL OFFICES

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4. Attend pre-bid conferences and bid openings and ensure that the LGUs comply with policies and requirements of RA 9184.
5. Attend to various consultation processes, initiated by the ROs/LGUs together with the DILG-CO
6. Prepare the regional project monthly accomplishments reports for submission to the DILG Regional Director and the OPDS Director.
7. Serve as resource persons/facilitators during the workshops being conducted at the regional level.
8. Perform other functions as may be required by the Regional Director. =

Minimum Qualifications

1. Male or Female
2. Minimum of 3-years experience on Water Supply Development and Implementation (preparation of feasibility study, preparation of detailed engineering design, procurement, and construction supervision, and operations and maintenance)
3. Graduate of Engineering Course, preferably Civil Engineer/Mechanical Engineer