



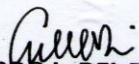
Republic of the Philippines
Department of Finance
BUREAU OF LOCAL GOVERNMENT FINANCE
Region IV-A (CALABARZON)
3rd Flr. Marcelita Bldg., National Highway
Brgy. Real, Calamba City

REGIONAL MEMORANDUM CIRCULAR NO. 06-11
March 28, 2010

TO : The Provincial, City and Municipal Treasurers of this Region

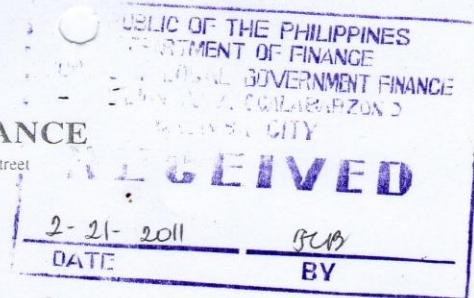
For the information, guidance and compliance of all concerned, enclosed is a copy of Department Order No. 8-2011 dated February 11, 2011 of the Secretary of Finance relative to the adoption of Statement of Receipts and Expenditures as the Official Reporting System on Local Government Fiscal and Financial Operations and providing the rules and regulations therefor.

The Provincial Treasurers within this Region are hereby instructed to disseminate the contents of this circular to the Municipal Treasurers within their respective jurisdictions.


EDUARDO L. DEL ROSARIO
Regional Director



Republic of the Philippines
DEPARTMENT OF FINANCE
Roxas Boulevard Corner Pablo Ocampo, Sr. Street
Manila 1004



DEPARTMENT ORDER No. 8-2011

Subject: Adoption of the Statement of Receipts and Expenditures as the Official Reporting System on Local Government Fiscal and Financial Operations and Providing the Rules and Regulations Therefor

To: All Regional Directors of the Bureau of Local Government Finance; Bureau Officials and Personnel; Provincial, City and Municipal Treasurers; and Others Concerned

WHEREAS, Sec. 4 of Executive Order No. 127, series of 1987, as amended by Title II, Sec. 2 of Executive Order No. 292, series of 1987, otherwise known as the "Administrative Code of 1987", provides that the Department of Finance (DOF) shall be *responsible for supervision of the revenue operations of all local government units, with the objective of making these entities less dependent on funding from the national government;*

WHEREAS, Sec. 43 of Executive Order No. 127, series of 1987, as amended by Title II, Sec. 33 of Executive Order No. 292, series of 1987, mandates that the Bureau of Local Government Finance (BLGF) shall *assist in the formulation and implementation of policies on local government revenue administration and fund management, develop and promote plans and programs for the improvement of resource management systems, and exercise administrative and technical supervision and coordination over treasury and assessment operations of local governments;*

WHEREAS, Section 470 (d) of Republic Act No. 7160, otherwise known as the Local Government Code (LGC), provides that treasurers of provincial, city and municipal governments units (LGUs) shall *exercise proper management of the funds of the local government unit concerned and maintain and update the tax information system of the local government unit;*

WHEREAS, the BLGF instituted the Statement of Income and Expenditures (SIE), through Memorandum Circular Nos. 01-2001, 40-2001, and 13-2002, as amended by Memorandum Circular Nos. 01-2003 and 04-2003, for the purpose of

establishing and maintaining a comprehensive system of reliable, understandable, timely and accurate financial reporting and tracking system on the fiscal and financial performance of LGUs;

WHEREAS, paramount considerations of transparency, efficiency, and accountability require the harmonization of existing guides and policies on local planning, investment programming, revenue administration, budgeting and expenditure management at the local levels, pursuant to Joint Memorandum Circular No. 1 Series of 2007 of the DOF with the National Economic and Development Authority (NEDA), the Department of the Interior and Local Government (DILG), and the Department of Budget and Management (DBM);

WHEREAS, the DOF and the DBM, under Joint Circular No. 2 Series of 2008, adopted the synchronization process in the preparation of the SRE; to harmonize the specific local sources of income of LGUs and the expenditure sector which is categorized into general, social and economic services as stated in Section 317 of the LGC;

WHEREAS, the BLGF issued Memorandum Circular Nos. 14-2008, 18-2008 and 19-2008 prescribing the Statement of Receipts and Expenditures (SRE) for collecting and monitoring financial information and performance of all LGUs, thereby upgrading the SIE system for the purpose of harmonizing the data with other government fiscal reports, such as the New Government Accounting System of the COA, and to synchronize the preparation of the SRE by concerned LGU officials;

WHEREAS, the BLGF issued Memorandum Circular No. 02-2010 instituting the Electronic Statement of Receipts and Expenditures (eSRE) and prescribing additional guidelines on the submission, review, verification, approval, consolidation and analysis of the SRE reports through the web-based reporting system;

NOW, THEREFORE, the ELECTRONIC STATEMENT OF RECEIPTS AND EXPENDITURES (eSRE) is hereby instituted as THE OFFICIAL REPORTING SYSTEM OF THE DOF ON LOCAL GOVERNMENT FISCAL AND FINANCIAL MATTERS, to be maintained by the BLGF to fully establish a reliable, accurate and timely reporting and monitoring system in the country. Toward this end, the following are hereby provided:

Section 1. The Statement of Receipts and Expenditures (SRE) Manual of 2008 and its accompanying Annexes, including the rules and

regulations set by DOF, and all circulars and issuances of the BLGF relating to the SRE and the eSRE, shall be the source and guide for all LGUs in the preparation and accomplishment of SRE reports. The guidelines, procedures and instructions therein prescribed shall be followed.

Section 2. The SRE reports containing the itemized monthly collections and disbursements of the LGU concerned may be posted and published in compliance with Section 513 of the LGC.

Section 3. The eSRE cash basis reports shall be submitted by all LGUs on or before the following dates:

- i. *For the first three quarterly reports:* On or before the 20th of the month following the end of the quarter.
- ii. *For the year-end report:* On or before February 28 of the subsequent calendar year.

Section 4. In order to determine the accuracy and reliability of the eSRE reports, the eSRE validation shall form an integral part of the Revenue and Assessment Audits of LGUs conducted by the BLGF Central and Regional Offices.

Section 5. All local government treasurers and assessors shall perform the appurtenant duties and functions relative to the implementation of this Order and other issuances, which shall form part of their official duties and functions.

Section 6. The BLGF shall organize, register, and monitor all designations and/or appointments of treasurers and assistant treasurers for purposes of ensuring and monitoring the accountability of LGUs, both at the BLGF Central and Regional Offices.

Section 7. Full compliance with the SRE reporting requirements shall be compulsory. It shall be a requisite for renewing or extending the designation of all local treasurers performing as officer-in-charge or in-charge-of-office.

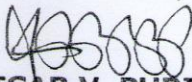
Section 8. Failure of concerned local government personnel assigned to submit eSRE Reports on time and/or submission of incorrect reports shall constitute sufficient grounds for administrative disciplinary action.

Section 9. The BLGF shall issue all the necessary advisories, updates, instructions, and updated forms from time to time to ensure the full implementation of the eSRE system and compliance of all concerned with this Order.

Section 10. All issuances, circulars rules and regulations issued that are inconsistent herewith are hereby repealed, amended, or modified accordingly.

This Order shall take effect immediately.

Done in the City of Manila, this 11th day of February 2011.


CESAR V. PURISIMA
Secretary
001609

