



REPUBLIC OF THE PHILIPPINES
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BLGF MEMORANDUM CIRCULAR NO. 01-004-2017
18 January 2017

TO : All BLGF Central and Regional Officials; All Provincial, City and Municipal Treasurers and Assistant Treasurers; Others Concerned

SUBJECT: Compliance with the Submission, Posting and Publication of the Statement of Income and Expenditures as Required under Sections 315, 352 and 513 of the Local Government Code (LGC) of 1991

In line with Executive Order No. 02¹ issued by the President and in the interest of transparency and accountability in local financial management, this Circular is issued to reiterate and remind the Local Treasurers of their mandate to submit, post and publish the Statement of Income and Expenditures, pursuant to the LGC, as follows:

Sec. 315: Submission of Detailed Statements of Income and Expenditures. -

(a) On or before the fifteenth (15th) day of July of each year, Local Treasurers shall submit to their respective local chief executives a certified statement, covering the income and expenditures of the preceding fiscal year, the actual income and expenditures of the first two (2) quarters of the current year, and the estimated income and expenditures for the last two (2) quarters of the current year.

Sec. 352: Posting of the Summary of Income and Expenditures. - Local Treasurers, accountants, budget officers, and other accountable officers shall, within thirty (30) days from the end of the fiscal year, post in at least three (3) publicly accessible and conspicuous places in the local government unit a summary of all revenues collected and funds received including the appropriations and disbursements of such funds during the preceding fiscal year.

Section 513: Failure to Post and Publish the Itemized Monthly Collections and Disbursements. - Failure by the Local Treasurer or the local chief accountant to post the itemized monthly collections and disbursements of the local government unit concerned within ten (10) days following the end of every month and for at least two (2) consecutive weeks at prominent places in the main office building of the local government unit concerned, its plaza and main street, and to publish said itemization in a newspaper of general circulation, where available, in the territorial jurisdiction of such unit, shall be punished by a fine not exceeding Five hundred pesos (P500.00) or by imprisonment not exceeding one (1) month, or both such fine and imprisonment, at the discretion of the court.

To facilitate compliance and in view of the prescribed Statement of Receipts and Expenditures authorized under DOF Department Order Nos. 8-2011² and 034.2014³, the

¹ Dated 23 July 2106 re: Operationalizing in the Executive Branch the People's Constitutional Right to the Information and the State Policies to Full Public Disclosure and Transparency in the Public Service and Providing Guidelines Therefor

² Dated 11 February 2011 re: 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

³ Dated May 26, 2014 re: Amending Sections 3, 8 and 9 of the Department Order No. 8-2011

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reporting format prescribed under DOF-DBM Joint Circular No. 2015-1⁴, herein attached, shall be adhered to, taking into consideration the following:

LGC Provision	Equivalent SRE Reports
Section 315 ▪ Actual income and expenditures of Q1 and Q2 of the current year	Q2 SRE report of the current year
▪ Estimated Q3 and Q4 income and expenditures for the current year	Projected Q4 SRE /less actual Q2 SRE of current year, and estimated/preliminary Q4 SRE report.
Section 513 ▪ Itemized monthly collections and disbursements	Statement of Receipt Sources and Statement of Expenditures. (LGUs are enjoined to encode the SRE monthly, and use the report for publication.)

As regards the publication in a newspaper of general circulation, the Supreme Court⁵ explained that *“it is enough that it is published for the dissemination of local news and general information, that it has a bona fide subscription list of paying subscribers, and that it is published at regular intervals.”* Hence, the newspaper must be available to the public, and not just to a select chosen few. To comply with this requirement, local treasurers are hereby enjoined to regularly make the necessary representations to the Local Chief Executive (LCE) and the Sanggunian concerned to appropriate in their respective annual budgets such amounts for monthly publication. Further, local treasurers must ensure that the most economical and practicable means of publishing such report shall be pursued.

As to who has the principal responsibility on publication, Section 513 used the conjunction “or” to denote that either the local treasurer or the local chief accountant shall perform the function. In *People of the Philippines vs. Adelaida B. Barcelona et. al.* (Criminal Case No. 25347-48)⁶, dealing on this publication requirement, the Sandiganbayan ruled that *“one person should take the place of the other should one fail to perform the function imposed by the law.”*

Since the LCEs are mandated⁷ to *“ensure that all taxes and other revenues of the municipality/city/province are collected, and that municipal/city/provincial funds are applied in accordance with law or ordinance to the payment of expenses and settlement of obligations of the municipality/city/province”*, all local treasurers are likewise enjoined to regularly furnish the concerned LCE of the aforementioned financial reports.

All concerned Provincial Treasurers shall render technical assistance to the Municipal Treasurers under their respective jurisdictions, in compliance with the abovementioned provisions of the LGC.

The BLGF Regional Directors are hereby instructed to widely and immediately disseminate this Circular to all concerned.

This Memorandum Circular shall take effect immediately.


NIÑO RAYMOND B. ALVINA
 OIC Executive Director

⁴ Dated February 5, 2015 re: *Guidelines in the Adoption of the Modified SRE Format of Local Government Units*

⁵ *Alvarez vs. People of the Philippines*, G.R. No. 192591 dated June 29, 2011

⁶ Promulgated by the Sandiganbayan Second Division on April 10, 2008.

⁷ Pursuant to Sec.444(b)(3)(iii), Sec.455(3)(iii), and Sec.465(3)(iii) of the LGC