



PROCESS MANUAL

BUREAU OF LOCAL GOVERNMENT
FINANCE

BLGF-PM-02-02

Revision Code: 00

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Section: **PLANNING**

Effectivity Date: 01-19-2018

Subject: **POLICY DEVELOPMENT**

1. PURPOSE:

To ensure that all policies undergo proper data gathering, review, evaluation, and approval before being published for implementation of the stakeholders.

2. SCOPE:

This procedure covers activities from the review of prior year commitments, determination of policy issues for FGD, conduct of FGD; preparation, review, and approval of a fiscal policy and publication of the approved policy and its implementing guidelines.

3. DEFINITION OF TERMS:

- a. **PPPSD** – Policy, Planning, Programming, and Standards Division
- b. **LFPS** – Local Fiscal Policy Service
- c. **LDMED** - LGU Debt Monitoring and Evaluation Division
- d. **FGD** – Focus Group Discussion
- e. **DOF** – Department of Finance
- f. **STAKEHOLDERS** - Local Government Units, Oversight agencies, other national government agencies, Leagues of LGUs, Financial Institutions, Legislative and Executive Bodies, General Public.

4. RECORDS:

TITLE/CODE	LOCATION	RETENTION CRITERIA	RETENTION PERIOD	DISPOSAL METHOD
1. FGD Reports	LFPS Files	NAP R.A. 9470	Archived	NA
2. Signed/Approved Policy, Memorandum, and Circular	LFPS Files, BLGF Central Records	NAP R.A. 9470	Archived	NA


5. REFERENCES:

5.1 ISO Clause Reference

- a. Clause 6 – Planning 6.1.1, 6.1.2, 6.2.1
- b. Clause 8 - Operations except 8.3
- c. Clause 9 - Analysis and Evaluation 9.1
- d. Clause 10 – Improvement

5.2 A document which supports the implementation of the procedure:
Local Government Code of 1991

5.3 Related documents linked to the procedure: Corrective Action and Risk Management Procedure

PREPARED BY:  DIVISION CHIEF

REVIEWED BY:  LFPS SERVICE DIRECTOR

APPROVED BY:  EXECUTIVE DIRECTOR



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6. PROCEDURE:

ACTIVITY FLOW	RESPONSIBLE	DETAILS
<p align="center">START</p> <p align="center">↓</p> <p align="center">REVIEW OF COMMITMENTS</p>	<p>Local Fiscal Policy Service (LFPS) Team</p>	<p>At the start of the year, a review of the commitments are made:</p> <ul style="list-style-type: none"> • Stakeholders • PH Development Plans • National Programs
<p align="center">↓</p> <p align="center">DETERMINE AREAS FOR QUALITY IMPROVEMENTS</p>	<p>Local Fiscal Policy Service (LFPS) Team</p>	<p>Based on the review, the areas of improvement are determined as regards policy issuances.</p>
<p align="center">↓</p> <p align="center">CONDUCT INTERNAL OPERATIONS MEETINGS</p>	<p>Local Fiscal Policy Service (LFPS) Team</p>	<p>Objective is to discuss policy concerns and related matters.</p>
<p align="center">↓</p> <p align="center">PRESENT PROPOSED POLICY ISSUANCES</p> <p align="center">↓</p> <p align="center">A</p>	<p>LFPS Director</p>	<p>The proposed policy issuances for FGD are presented to the BLGF ExeCom.</p>

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<p align="center">A</p> <p align="center">↓</p> <p align="center">COORDINATE WITH STAKEHOLDERS FOR FGD</p>	<p align="center">Action Officer</p>	<p>Coordinates with stakeholders for the conduct of FGDs.</p>
<p align="center">↓</p> <p align="center">CONDUCT FGD WITH SELECTED GROUPS</p>	<p align="center">Action Officer, Division Chief</p>	<p>Conducts FGDs to gather input for the development or improvement of fiscal policies.</p> <p>FGD Groups are with the different stakeholders depending on the policy area.</p>
<p align="center">↓</p> <p align="center">PREPARE FGD REPORT</p>	<p align="center">Action Officer</p>	<p>Consolidates results of the FGD and prepares FGD Report.</p>
<p align="center">↓</p> <p align="center">REVIEW FGD REPORT</p> <p align="center">↓</p> <p align="center">B</p>	<p align="center">Division Chief, Service Director</p>	<p>When there are corrections, returns the report to the Action Officer for editing and finalization.</p>

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ACTIVITY FLOW	RESPONSIBLE	DETAILS
	<p align="center">Action Officer</p>	<p>A draft of the policy is prepared with inputs coming from the results of the FGD.</p> <p>The risk of possible conflicting policies with other government agencies is prevented by close coordination with the oversight agencies and a thorough review of similar issuances in the past.</p>
	<p align="center">PPPSD Senior Tax Specialist</p>	<p>Reviews tax policy in relation to local fiscal taxation and administration.</p>
	<p align="center">Action Officer</p>	<p>When there are changes that need to be made on the policy, returns the draft to the Action Officer for editing and finalization.</p>

PREPARED BY: *Francis* DIVISION CHIEF

REVIEWED BY: LFPS SERVICE DIRECTOR

APPROVED BY: *James H. H. H.* EXECUTIVE DIRECTOR



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ACTIVITY FLOW	RESPONSIBLE	DETAILS
<p align="center">D</p> <p align="center">↓</p> <p align="center">REVIEW AND APPROVE POLICY AND MEMORANDUM</p> <p align="center">↓</p>	<p align="center">Service Director, Deputy Executive Director, Executive Director</p>	<p>When there are changes that need to be made on the policy, returns the draft to the Action Officer for editing and finalization.</p>
<p align="center">↓</p> <p align="center">REVIEW AND RECOMMEND APPROVAL</p> <p align="center">↓</p>	<p align="center">Undersecretary (DOF)</p>	<p>The policy and memo are forwarded to the DOF Undersecretary for review. Initials are affixed for recommending approval.</p>
<p align="center">↓</p> <p align="center">MAKE FINAL REVIEW AND APPROVAL</p> <p align="center">↓</p>	<p align="center">Secretary of Finance</p>	<p>The Secretary of Finance makes the final approval and signs the policy.</p> <p>The signed/approved policy and memorandum is forwarded to the DOF Records Section for assignment of a Department Number.</p>
<p align="center">↓</p> <p align="center">ASSIGN DEPT. NUMBER FOR APPROVED/ SIGNED POLICY AND MEMORANDUM</p> <p align="center">↓</p> <p align="center">E</p>	<p align="center">DOF Records Officer</p>	<p>Receives approved/signed policy and memorandum and assigns a Department Number.</p> <p>Returns the documents to BLGF Central Records.</p>

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<p align="center">E</p> <p align="center">↓</p> <div style="border: 1px solid black; padding: 5px; text-align: center;"> RETAIN ORIGINAL SIGNED/APPROVED POLICY AND MEMORANDUM </div> <p align="center">↓</p>	<p align="center">BLGF Records Officer</p>	<p>Photocopy of the signed/approved policy and memorandum is forwarded to Action Officer.</p>
<p align="center">↓</p> <div style="border: 1px solid black; padding: 5px; text-align: center;"> PUBLISH APPROVED POLICY </div> <p align="center">↓</p>	<p align="center">ISMD Team, Records Officer (Central Records)</p>	<p>Publishes approved policy to the following: a) ISMD- BLGF website b) Central Records - PH Official Gazette, UP Law Center, and newspapers of general circulation.</p> <p>Retains original copy of the signed/approved policy and memorandum.</p> <p>Forwards the policy documents to NCR LGUs, RO, concerned Stakeholders, and the Action Officer.</p>
<p align="center">↓</p> <div style="border: 1px solid black; padding: 5px; text-align: center;"> PREPARE MEMORANDUM CIRCULAR </div> <p align="center">↓</p> <p align="center">F</p>	<p align="center">Action Officer</p>	<p>For policies requiring Implementing Rules and Regulations.</p> <p>Prepares Memorandum Circular for Implementing Guidelines to Regional Offices, Local Treasurers and Assessment Offices, and other concerned stakeholders.</p>

PREPARED BY: DIVISION CHIEF *Francis*

REVIEWED BY: LFPS SERVICE DIRECTOR

APPROVED BY: EXECUTIVE DIRECTOR *Francis*



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<p align="center">D</p> <p align="center">↓</p> <p align="center">REVIEW AND APPROVE MEMORANDUM CIRCULAR</p> <p align="center">↓</p>	<p align="center">Division Chief, Service Director, Deputy Executive Director, Executive Director</p>	<p>When there are changes that need to be made on the memorandum circular, returns the draft to the Action Officer for editing and finalization.</p>
<p align="center">↓</p> <p align="center">RETAIN A COPY OF THE MEMORANDUM CIRCULAR</p> <p align="center">↓</p>	<p align="center">Action Officer</p>	<p>Once the Memorandum Circular is signed and approved:</p> <p>An Action Officer is tasked to retains the hard copy of the memorandum circular for file and reference. Forwards to Central Records for publication.</p>
<p align="center">↓</p> <p align="center">PUBLISH APPROVED POLICY</p> <p align="center">↓</p> <p align="center">F</p>	<p align="center">ISMD Team, Records Officer (Central Records)</p>	<p>Publishes approved Memorandum Circular and implementing guidelines to the following:</p> <ul style="list-style-type: none"> a) ISMD- BLGF website b) Central Records - PH Official Gazette, UP Law Center, and newspapers of general circulation. <p>Forwards the policy documents to NCR LGUs, RO, concerned Stakeholders, and the Action Officer.</p>

PREPARED BY: *[Signature]* DIVISION CHIEF

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	<p align="center">Division Chief</p>	<p>Reviews activities of the process to see where quality improvements can be done in the process.</p>
	<p align="center">Division Chief</p>	<p>Determines if performance targets were achieved.</p> <p>For unmet targets: Refer to Corrective Action Procedure.</p> <p>Submits complete monthly accomplishment report and performance report to immediate superior every first week of the month.</p>

PREPARED BY: DIVISION CHIEF *Francis*

REVIEWED BY: LFF *[Signature]*

APPROVED BY: EXECUTIVE DIRECTOR *[Signature]*