

[DBM-DOF-DILG JOINT MEMORANDUM CIRCULAR NO. 2018-1, July 19, 2018]

ADOPTION OF THE MODIFIED FORMAT FOR THE STATEMENT OF RECEIPTS AND EXPENDITURES OF LOCAL GOVERNMENT UNITS (SRE OF LGUS) AND UPDATED GUIDELINES ON THE PREPARATION AND SUBMISSION THEREOF

*Adopted: 12 July 2018
Date Filed: 19 July 2018*

1.0 PURPOSES

This JMC is being issued to:

1.1 Adopt a more comprehensive format for the SRE of LGUs, which can serve as a source/reference for the preparation of other reports required by the oversight agencies concerned from the LGUs;

1.2 Update the classification and treatment of accounts to be used in preparing the SRE of LGUs; and

1.3 Delineate the roles and responsibilities of the DBM, DOF, DILG, and the local officials concerned, particularly the local treasurers, assessors, budget officers and accountants, in the preparation of the LGU fiscal data.

2.0 GENERAL GUIDELINES

2.1 All financial statements and reports of LGUs shall be prepared consistent with the Revised Chart of Accounts for LGUs as prescribed under Commission on Audit Circular No. 2015-009 dated December 1, 2015.^[1]

2.2 For purposes of preparing the SRE of LGUs, the reporting formats prescribed under Annexes* A and B hereof, which provide for the classification and grouping of accounts, as well as the years for which data should be presented, shall be adopted by the LGUs.

2.3 The SRE covering the actual, current and budget years shall be submitted by the LGUs to the DOF-BLGF, through the LGU Integrated Financial Tools (LIFT), strictly within the timelines that may be prescribed in the advisory to be issued by the DOF-BLGF for the purpose.

2.4 The reporting systems, manuals, responsibilities and mechanisms for coordination in the preparation of the SRE of LGUs shall operationalize

the provisions under DILG-National Economic and Development Authority-DBM, DOF JMC No. 1, Series of 2016, dated November 18, 2016^[2]

3.0 ROLES AND RESPONSIBILITIES

3.1 DOF

3.1.1 The DOF-BLGF ROs shall:

3.1.1.1 Review and monitor the SRE reports and the Quarterly Report on Real Property Assessment (QRRPA) submitted by the LGUs and ensure the accuracy of the said reports;

3.1.1.2 Validate the propriety and accuracy of the SRE of LGUs and the QRRPA, and ensure that the ending balance of the previous year is the beginning balance of the succeeding year. If there are adjustments, proper disclosure shall be made on the nature/details of the adjustment;

3.1.1.3 Ascertain the timely submission of reports by the LGUs, particularly by the local treasurers; and

3.1.1.4 Provide technical assistance in the preparation of the SRE of LGUs and the QRRPA, when necessary.

3.1.2 The DOF-BLGF Central Office (CO) shall:

3.1.2.1 Monitor LGU financial performance and provide the necessary financial advice to LGUs;

3.1.2.2 Prepare the consolidated SRE reports and QRRPA and other reports required by various oversight agencies and stakeholders;

3.1.2.3 Conduct financial analysis of the SRE of LGUs on a macro level;

3.1.2.4 Submit to the DBM CO the SRE of LGUs covering the actual, current and budget years not later than June 7 of the current fiscal year;

3.1.2.5 Maintain the SRE System and database, and other systems linked to the LIFT;

3.1.2.6 Initiate improvements in the SRE System and the LIFT; and

3.1.2.7 Provide technical assistance in the