



REPUBLIC OF THE PHILIPPINES  
**Department of Budget and Management**  
Malacañang, Manila

**CIRCULAR LETTER**

**No. 2014-4**  
**Date: April 25, 2014**

**TO : All Heads of Departments/Agencies; Finance Directors; Budget Officers; Heads of Accounting Units and All Others Concerned**

**SUBJECT : Conduct of the FY 2015 Technical Budget Hearings**

- 1.0 DBM shall conduct the Technical Budget Hearings (TBH) for all departments and agencies as part of the consultation process in formulating the FY 2015 budget levels, **starting April 28, 2014** at the Boncodin Hall, General Solano St., San Miguel, Manila.
- 2.0 Heads of departments are requested to send an Undersecretary (USEC) or Assistant Secretary (ASEC) as their representative who is in a position to respond to issues that may be raised and make commitments on behalf of his/her department. In the case of Other Executive Offices, agencies under CFAG and those that are similarly situated, the respective Agency Heads are encouraged to attend the TBH.
- 3.0 The TBH Panel/s shall be comprised of DBM representatives from the Budget and Management Bureau concerned, Legal Service, Organization and Position Classification and Compensation Bureau, Fiscal Planning Bureau, Monitoring and Evaluation Unit of DBM and other offices as may be necessary. In cases where the presentation of the budget proposal of the department to be heard is led by an USEC or ASEC, a DBM Senior Official shall head the TBH panel. In specific instances, the representatives of NEDA and Head of MITHI Sector Clusters may be required to attend to address their respective concerns on consistency of major programs and projects with the updated Philippine Development Plan and government-wide information and communication technology programs and projects, respectively.
- 4.0 The following guidelines shall be observed by the departments/agencies in presenting and justifying their budget proposals:

- 4.1 In presenting the Budget Overview, the following time limits shall be observed:
- 4.1.1 Maximum of 45 minutes – for the Department budget (including attached agencies) by the USEC or ASEC concerned or his authorized representative.
- 4.1.2 Maximum of 30 minutes – for Agency budget by the Heads of OEOs, CFAG and agencies similarly situated.
- 4.2 The sequence in the presentation shall be guided by the Performance-Informed Budget template. The accomplished template shall reflect the department/agency's Strategic Objectives, Expenditure Program, Staffing Summary and Performance Information.
- 4.3 Discussions will be focused on the following, among others:
- 4.3.1 Expenditure Program with emphasis on the major programs and projects, consistent with the commitments laid out in the Planning Tool submitted to the President. New programs/projects and/or spending proposals shall likewise be highlighted.
- 4.3.2 Revenue Program, i.e., three-year actual revenue collections for FYs 2011 – 2013, status of FY 2014 collection vis-à-vis targets and FY 2015 revenue projections with disclosure on the basis/assumptions.
- 4.3.3 Funds available to the agency, deposited within and outside the National Treasury, i.e., special accounts, trust funds, revolving funds.
- 4.3.4 Proposed Special Provisions, if any.
- 5.0 The departments/agencies shall be informed of their respective TBH schedules. A separate TBH shall be conducted for the following key priority programs with inter-agency involvement, including specific programs such as PAMANA and CARP. The lead department/agency of a Program Budget shall present the objective, components and the implications of the funding requirements in the budget of the participating departments/agencies.
- 5.1 Good Governance and Anti-Corruption
- Digitization of Financial Management Operations
- 5.2 Human Development and Poverty Reduction
- Pantawid Pamilyang Pilipino Program
  - Universal Health Care Program
  - Housing for Resettlement from Danger Areas

- Education Program
- 5.3 Economic Development

- Transport Infrastructure Program
  - Agricultural Development Program
  - Manufacturing Revival Program
  - Tourism Development Program
- 5.4 Disaster Mitigation

6.0 Departments/Agencies are likewise reminded that only budget proposals encoded through the "Online Submission of Budget Proposals System (OSBPS)" shall be subject to TBH, notwithstanding the manual submission of hard copies of the budget proposals. As a possible consequence for non-compliance with the required OSBPS encoding, the agencies' budget allocation for 2015 shall be pegged to the FY 2015 Forward Estimates (FE) level provided per NBM No. 119.

7.0 For compliance.

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**FLORENCIO B. ABAD**  
Secretary