PHILIPPINE GOVERNMENT BUDGET PROCESS

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“A budget is more than just a series of numbers on a page; it is an embodiment of our values.”

–Barack Obama (2011)

It is our responsibility to pay taxes, in return, the government should also be responsible in providing services to its people. Revenues collected from the taxpayers are not adequate. This is the reason why we also borrow money to cover all the expenditures of the country. With the limited fund and competing demands, the government should know their priority. They should properly allocate scarce resources for each proposed program, project and activity. It is done through an effective budgeting. Government budgeting as defined, is the exercise of allocating revenues and borrowed funds to attain the economic and social goals of the country. The executive and legislative branch, agencies, as well as the people, are involved in this process. Government budgeting process has four distinct phases namely;

1. Budget Preparation

It is consist of a series of steps that begins with determination of overall targets, expenditure levels, revenue projection and financial plan by an inter-agency body called Development Budget Coordinating Committee (DBCC). The Department of Budget and Management (DBM) will issue the budget call. This document indicates specific guidelines for the preparation of estimate of agency’s budget that will be submitted to the DBM. All budgets received will then be consolidated by the DBM and to be
submitted to the President for final approval. After the budget was approved by the President, it will be forwarded to the legislative body.

2. Budget Legislation and Authorization

This phase is the prerogative of the Congress in which General Appropriations Bill is enacted. Heads of various agencies will be called in series of hearings to defend their proposed budgets. After a thorough examination of these budgets, the legislative body will then submit it to the house plenary as General Appropriations Bill. The Senate Finance Committee will also study the bill while it is being discussed in the house plenary. A Bicameral Conference Committee consisting members from Senate and Congress will be created to settle the differences or disagreements on the provisions of the bill. The Bicameral Conference Committee will release the final version of General Appropriations Bill which will be submitted to the President to sign it into law. Once it’s approved, the agency will be authorized to use the national fund.

3. Budget Execution

It involves the release of funds through deposits made by the Bureau of Treasury to agency’s account up to the actual disbursement of fund for specific purpose for which they are appropriated. The responsibility for monitoring the implementation of budget rests primarily with the DBM.

4. Budget Accountability

In this phase, actual performance are being compared with the predetermined plans. It gives attention to the tracking, monitoring and evaluation of expenditures. It involves submission of reports and documents to the Commission on Audit (COA). The COA will examine the reports and evaluate whether the disbursement is in accordance with accounting policies and if it was disbursed for it’s purpose.
Government budgeting is a critical process. However, we should still participate to ensure that the public fund will be used for our own good. As taxpayers, we must know where our money was spent. The first step to be part of this process is to study the budget. The different agencies regularly post their reports on their websites. It is important that we compare their targets with their performance. We can also participate by giving feedbacks and suggestions, by being observant through looking into the discussions regarding budget, as well as by joining Civil Society Organizations (CSO). These CSOs actively take part in the consultation, partnership, citizen’s audit, monitoring, etc. We can understand the whole process if we will involve ourselves. Budget is not just numbers on a piece of paper, it is more than that, for it can build a better future. It reflects what our country wants. Our role is to take part and be heard.

References:
https://www.youtube.com/watch?v=OUbUC94oa6s&feature=youtu.be