

Republic of the Philippines  
Department of the Interior and Local Government  
NATIONAL POLICE COMMISSION  
Makati, Metro Manila

MEMORANDUM CIRCULAR NO. 93-007

TO : Chief, PNP/Regional & Staff Directors and  
Chiefs of Offices, NAPOLCOM

SUBJECT : Prescribing the Standard Procedures for the  
Preparation of Annual Work Programs and  
Budget Estimates

The preparation of the Annual Work Program and Budget of the National Police Commission (NAPOLCOM) and the Philippine National Police (PNP) shall be in accordance with the following standard procedures:

A. NAPOLCOM

1. All Project Directors shall prepare their respective work and financial plans in accordance with the Policy Guidance issued by the Plans and Budget Advisory Committee (PBAC) of the National Police Commission.
2. Budget Estimates for each program/project shall be based on the current year's appropriations.
3. The budget estimates of each Project Director shall be submitted to the Administrative Service for evaluation and consolidation into an Agency Budget.
4. The work plans of the Project Directors shall be submitted to the Planning and Research Service (PRS) for consolidation into an Agency Work Plan.
5. The Budget Estimates of Regional Project Directors shall be supported by the following: a) Statement of Fixed Expenditures b) plantilla of personnel, and c) copy of lease contract, if any.
6. An Agency Budget Hearing shall be conducted and all Project Directors shall defend their budget estimates before the PBAC. Project Directors shall effect the necessary adjustments/revisions of their budget as recommended by the Committee.
7. The consolidated proposed Agency Budget shall be presented by the Director III, Administrative Service to the Commission for approval.
8. The approved proposed Agency Budget shall be defended before the House and the Senate.

9. Financial report shall be submitted promptly to the Department of Budget and Management to facilitate the release of monthly cash allocations.
10. Evaluation of the program/projects shall be conducted periodically by the Planning and Research Service.
11. Project Directors shall present their Program Review and Analysis before the Commission every end of each semester.
14. All activities pertaining to Plans and Budget shall be in accordance with the attached Budgeting Calendar (Annex A) and Process Flow Chart (Annex B)

**B. PHILIPPINE NATIONAL POLICE**

1. Upon receipt of the Budget Guidance issued by the NAPOLCOM, the Chief, PNP shall cause the immediate translation of said guidance into the PNP Preliminary Operating Program and Budget Guidance (POPBG).
2. The POPBG shall be the basis of the Regional Commands and Support Units Directors to issue to their subordinate commanders their own version of the guidance as basis for the preparation of their Preliminary Operating Program and Budget Estimates (POPBE).
3. Regional and Support Unit Directors shall consolidate subordinate commands (POPBE) and translate same into their respective POPBE for submission to the PNP General Headquarters (GHQ).
4. The Program and Budget Advisory Committee (PBAC) of the GHQ shall review the Regional and Support Units POPBE in accordance with the following criteria:
  - a. Consistency with the Preliminary Operating Program and Budget Guidance.
  - b. Work Targets are realistic.
  - c. Budgetary estimates are within the established cost factors.
  - d. Compliance to prescribed forms.
5. When necessary, the PBAC may call all Regional and Support Unit Directors to a budget hearing to clarify the latter's POPBE.

Handwritten signature and initials on the right margin, including a circled '2' at the top and a large signature below.

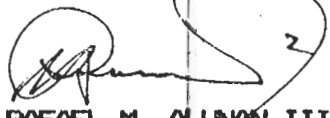
6. GHQ PBAC makes the final recommendation of the proposed PNP Budget to the Chief, PNP after thorough deliberations of the estimates.
7. Chief, PNP submits the PNP Preliminary Operating Program and Budget Estimates to NAPOLCOM.
8. The NAPOLCOM PBAC hears the PNP Preliminary Operating Program and Budget Estimates approves same or recommends some adjustments.
9. Approved/amended PNP POPBE shall be translated into the budget forms and appropriation language by the PNP Director for Comptrollership and submits the same to DBM through the NAPOLCOM.
10. Chief, PNP, in coordination with the NAPOLCOM, shall present its POPBE to the Department of Budget and Management (DBM).
11. The PNP Director for Comptrollership shall effect the revisions on the POPBE and the revised POPBE shall be submitted to the DBM through the NAPOLCOM for incorporation to the President's budget.
12. PNP shall prepare the necessary materials for the defense of their respective budget as approved in the President's budget before the House of Representatives and the Senate.
13. The Chief, PNP together with all the members of the GHQ PBAC and other resource persons shall join the NAPOLCOM in the deliberation of the PNP budget.
14. Upon approval of the Appropriations Act, the PNP shall formulate the Final Operating Program and Budget Guidance as basis for the formulation of the Work and Financial Plan of the Agency.
15. Work and Financial Plan shall be submitted to the DBM through the NAPOLCOM.
16. Allotments to the Regional Commands and National Support Units shall be released in accordance with the approved Work and Financial Plan and the Final Operating Program and Budget.
17. Payment of backwages pursuant to the special provisions of the PNP appropriations maybe acted upon by the Chief, PNP immediately provided the appropriate reports are submitted to the NAPOLCOM every quarter.
18. Payment of special financial assistance and reimbursement of hospitalization expenses pursuant to RA 6963 may be paid by the Chief, PNP immediately provided the appropriate reports are submitted to the NAPOLCOM every quarter.

*[Handwritten signature]*  
*[Handwritten signature]*

- 19. Use of savings to support activities authorized in the Appropriations Act for the payment of (a) valid prior years obligation; (b) repair of motor vehicles and purchase of spare parts for all types of equipment and materials as may be determined by the Chief, PNP; (c) acquisition of sites, facilities or equipment under lease or currently used by the PNP, and payment of boundary, relocation and subdivision surveys for titling of the PNP real estates; (d) procurement of foodstuffs for units actually engaged in security/counter intelligence operations in combat areas; (e) funding of mandatory allowances such as loyalty pay, commutation of two months leave credits; and (f) modernization of PNP equipage except motor vehicles shall be submitted to NAPOLCOM for approval.
- 20. The Chief, PNP shall submit the required financial reports to DBM and Congress periodically and shall present a Program Review and Analysis to NAPOLCOM every end of semester. the second semester presentation shall cover the annual analysis.

This Memorandum Circular shall take effect upon approval.

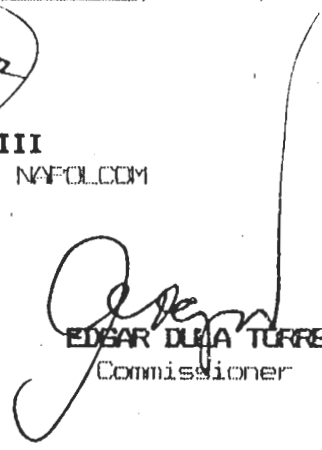
Approved this 14th day of May, 1993, at Makati, Metro Manila.



**RAFAEL M. ALLNAN III**  
Secretary, DILG & Chairman, NAPOLCOM



**GUILLERMO P. ENRIQUEZ, JR.**  
Commissioner  
Acting Vice Chairman and Executive Officer



**EDSAR DULA TORRES**  
Commissioner



**FEDERICO S. COMANDANTE**  
Commissioner



**ALEXIS C. CANONIZADO**  
Commissioner

Attested by:



**REYNALDO JD CUADERNO**  
Deputy Executive Director IV

NAPOLCOM - PNP BUDGET CALENDAR

I Planning and Budget Preparation Plan

- September 20 - The Plans and Budget Advisory Committee (PBAC) issues the plan and budget guidance for both the NAPOLCOM and the PNP.
- September 21-30 The Plans and Budget Advisory Committee (PBAC) shall identify the major thrusts of the PNP in accordance with the guidance issued by the PBAC.
- October 1-15 PNP Project Directors shall identify their projects/activities based on the approved major thrust. Complementarily, all NAPOLCOM Project Directors shall identify their projects/activities in accordance with the major thrust set forth by the PBAC.
- October 16-31 The Planning and Research Service and the Directorate for Operations respectively shall evaluate and consolidate the plan into an Agency Work Plan.
- October 16- Nov.7 Project Directors shall prepare their respective budget estimates.
- November 8- 15 Submission of Budget Estimates to the PBAC and the Administrative Service respectively.
- November 16-22 Agency Budget Hearing Project Directors shall defend their respective Budget before the PBAC and the Commission respectively.
- November 23-30 Adjustments or revisions of the budget by the respective Project Directors as recommended by the PBAC and the Commission.

December 1-31	Consolidation of budget estimates by the Directorate for Comptrollership and Administrative Service respectively.
January 15	Presentation of agency budget before the Chief, PNP and the Commission by the Director for Comptrollership and Chief of the Administrative respectively.
February 11-28	Adjustments/revisions of the agency budget estimates as recommended by the Chief, PNP and the Commission respectively. The Director for Comptrollership and the Chief, Administrative Service shall distribute adjusted revised budget estimates among the Project Directors.  Finalization of the NAPOLCOM Budget Estimates by the Administrative Service and that of the PNP by the Directorate for Comptrollership.
March 2	PNP presents and defends its budget before the Commission.
March 3-7	Adjustments/revisions of PNP Budget Estimates in accordance with the recommendation of the Commission.  Finalization of the PNP Budget Estimates.
March 16-31	Submission of PNP and NAPOLCOM Budget to DBM.
April 1-15	Schedule of the Technical Budget Hearing at the DBM.
April 16-30	Setting of the final budget ceilings of the Agency by the DBM.

May 1-7 Adjustments of the Budget Proposal in accordance with the Budget Ceiling.

May 8 - 15 Submission of the Revised Budget Estimates to the DBM.

Budget Legislation and Budget Execution Phase. All activities hereunder shall be undertaken on the dates set by the DBM and the schedules of Congressional Budget Hearings.

## II. Budget Legislation Phase:

- Preparation of the Agency Budget Justification Documents which shall include the Financial and Accomplishment Reports.
- Submission of the Agency Budget Justification Documents to the Appropriation Committee of the House of Representatives and to the Committee on Finance of the Senate.
- Congressional Budget Hearings
  - Appropriation Committee
  - Committee on Finance

## III. Budget Execution Phase

- Issuance of budgetary adjustments if any, as a result of the Congressional Budget Hearings.
- Preparation of the Agency Work and Financial Plan.
- Submission of the Agency Work and Financial Plan.
- Issuance of the Agency Advice Allotment.
- Issuance of Notices of Cash Allocation.
- Preparation of the Agency Program of Expenditure
- Distribution of the Agency Program of Expenditures

#### IV. Budget Accountability Phase

- Submission of report of operation/accomplishment within three (3) weeks after each quarter.
- Submission of monthly/quarterly/semi-annual/annual financial reports.
- Presentation of semi-annual Program Review and Analysis before the Commission.



PLANNING AND BUDGETING FLOWCHART

5. UNIT A I T ACCOUNTABILITY  
 2. UNIT A I T M CONTROL  
 2. UNIT A I T M CONTROL  
 2. UNIT A I T M CONTROL

4. PLAN IMPLEMENTATION  
 AND BUDGET EXECUTION

3. BUDGET LEGISLATION

2. BUDGET PREPARATION

1. PLAN PREPARATION

