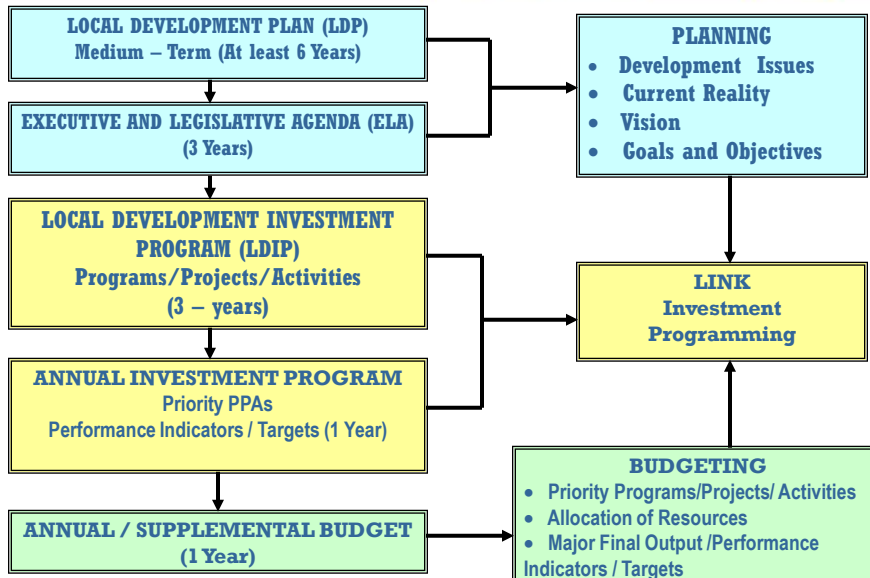


Plan – Budget Flow



LOCAL PLANNING & BUDGETING LINKAGE



LOCAL PLANNING & BUDGETING LINKAGE

The linkage between planning & budgeting takes place when the AIP, after having been reviewed & endorsed by the Sanggunian, is used by the LFC in the preparation of sectoral ceilings.



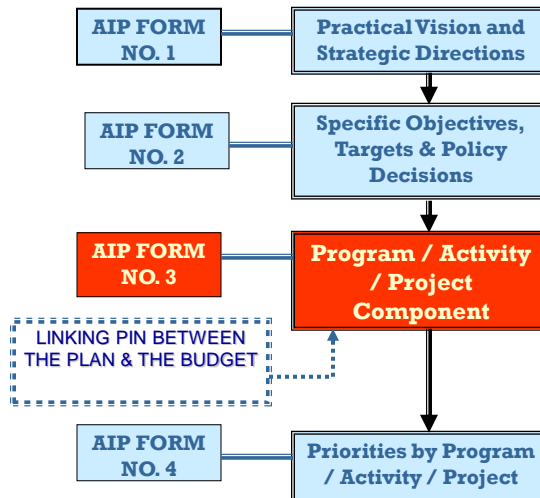
CONTENTS OF THE NEW AIP



Long-term vision & strategic direction

Medium-term objectives & Policy decisions

Prioritized annual investment schemes



AIP FORMAT

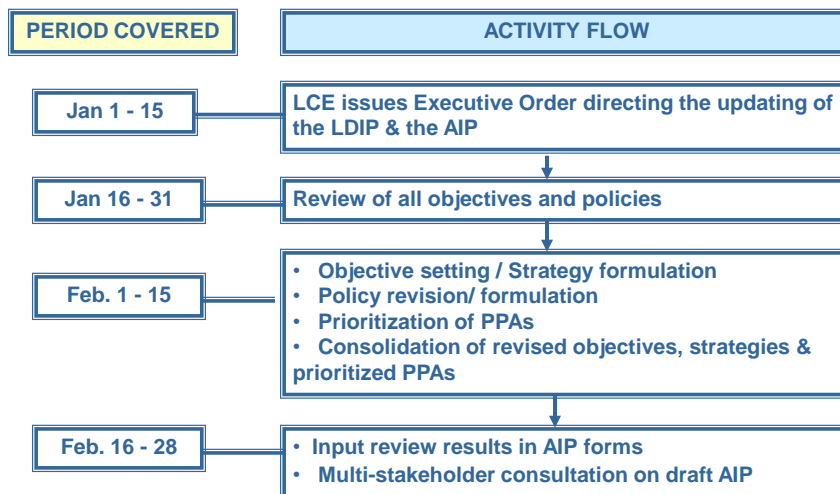
AIP for Budget Year _____
Municipality / City of _____
Province of _____

- 1 Executive Summary
- 2 Practical Vision
- 3 Strategic Directions
- 4 Specific Objectives
- 5 Policy Decisions
- 6 Details of P/ P/ As by Sector
- 7 Priorities for the Budget Year

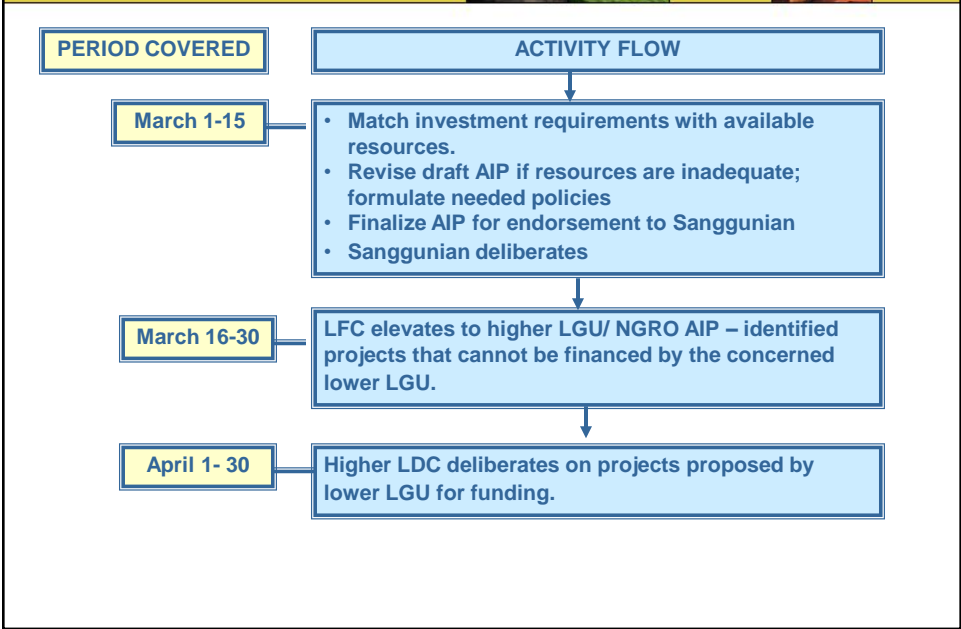
Annexes

- 1 AIP Forms
- 2 LDC Resolution endorsing the AIP for the Budget Year
- 3 Local Sanggunian Approving the AIP for the Budget Year

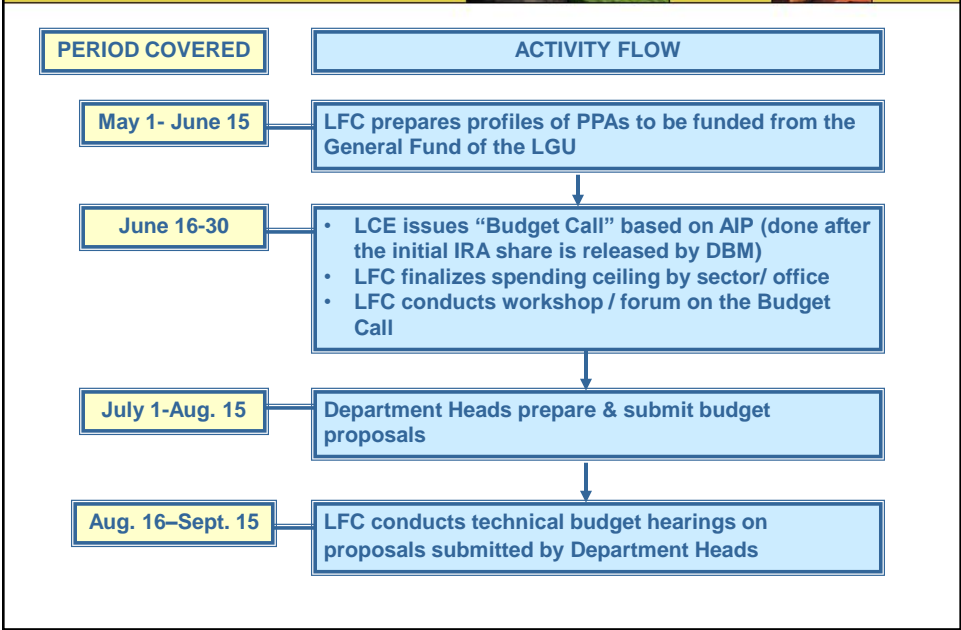
TIMETABLE AND ACTIVITY FLOW OF THE AIP PREPARATION PROCESS



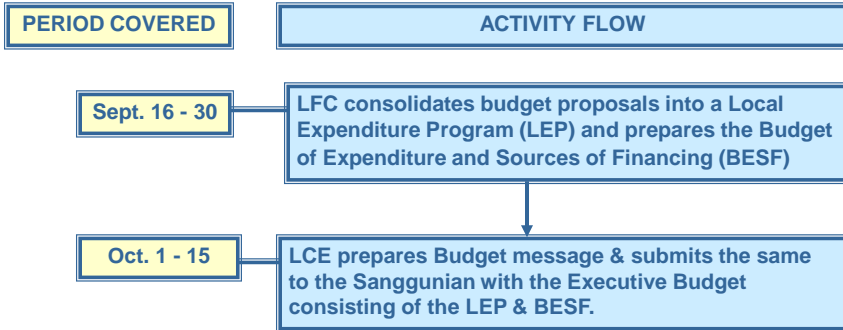
TIMETABLE AND ACTIVITY FLOW OF THE AIP PREPARATION PROCESS



TIMETABLE AND ACTIVITY FLOW OF THE AIP PREPARATION PROCESS



TIMETABLE AND ACTIVITY FLOW OF THE AIP PREPARATION PROCESS



WHAT TO DO WITH FINISHED AIP



The LCE submits the AIP to the LFC



LOCAL FINANCE COMMITTEE

- Conducts review of the projected revenue or projected income projected during the budget year;
- Recommend appropriate tax and other revenue measures or borrowings to support the budget
- Recommends resource allocation measures and spending ceilings for the economic, social and general services sector.
- May elevate to higher LGU or NGA PPAs that cannot be supported by local revenues.



WHAT TO DO WITH FINISHED AIP



LOCAL DEVELOPMENT COUNCIL

Endorses AIP to Sanggunian



SANGGUNIAN

approves AIP



LOCAL FINANCE COMMITTEE



Prepares project profiles / project briefs

WHAT TO DO WITH FINISHED AIP



IRA

**Spending ceiling per sector/
office is finalized by the LFC**



Budget forum / workshop is called by the LFC

**Technical hearings conducted on budget proposals submitted by
Department heads**



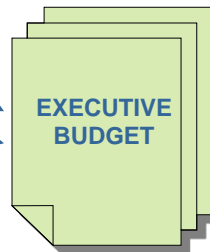
WHAT TO DO WITH FINISHED AIP



Proposals are consolidated by the LFC into a Local Expenditure Program (LEP).



A companion document called the Budget of Expenditure and Sources of financing will also be prepared



THE EXECUTIVE BUDGET



BESF

- Detailed & graphical presentation of the expenditure program of the LGU
- Rationale for any proposed revenue generating measures to be implemented during the budget year.
- 3-year comparative trend analysis of the expenditure program by sector, office/department
- Presents trend analysis of the revenue share from IRA & other ALGU shares in comparison with locally-generated income

Discloses the extent of LGU compliance with the budgetary requirements under the Local Government Code & tax collection efficiency

- Determines the average cost of services per taxpayer & correlates the same with the proposed increases for the budget year



LEP

- Estimates of Income
- Expenditure Program
- Guidelines on the Special Purposes Appropriation
- Guidelines on the General Provisions
- Guidelines on the Summary of the Fiscal Year New Appropriation

Budget Message

- Goals, objectives, policies & strategies & priority PPAs for the BY
- Reflects income estimates, sources of funds that will finance the budget & how such income is allocated.
- Provides the basis & justification for policy decisions contained in the Executive Budget

Budget advocacy : a process to influence policy decisions on budgeting

Local budget advocacy: A course of action that hopes to influence the budgeting process to ensure that the budget serves as a vehicle for moving the LGU towards the attainment of its vision, and achieve its goals, objectives and targets in the medium – and short – term

CAN BE SUSTAINED IF ADVOCATES:

- understand the local government budget, its processes and cycle;
- understand the difference yet close linkage between AIP preparation and the actual budget that is being presented;
- are familiar with the key actors and the institutions involved and the arenas of engagement for them to effectively push for their priorities to be included in the local budget;
- have a deep appreciation of the technical tools or methods of analyzing and preparing the budget

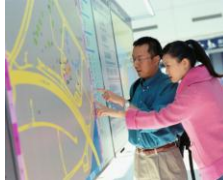
BUDGET ADVOCACY



Advocates should be able to gauge their capacity to influence the AIP preparation and budget allocation process before embarking on budget advocacy activities.

POWER MAPPING is a tool for:

- identifying all those who wield either a **positive or negative influence** on the AIP and budget preparation and approval process;
- understanding the **degree of influence** of various stakeholders in relation to the AIP and the Local Budget



- analyzing the **positions and interests of the different stakeholders** in the AIP and the Local Budget;
- anticipating their **possible involvement and actions** on the AIP and the Budget
- identifying **approaches to dealing with specific stakeholders** who could contribute the most toward the resolution of policy issues in connection with the AIP and budget preparation

BUDGET ADVOCACY

POWER MAP VERSION 1

Person / Group	Position on the Issues			Reasons
	Pro	Anti	Undecided	

BUDGET ADVOCACY



Power Map (Version 2)

Person/ Group	Will be Benefited/ Will be Affected Positively	Will Be Injured/ Will be Affected Negatively	Possible Action or Reaction

BUDGET ADVOCACY



Power Map (Version 3)

Supporters	Oppositors	Undecided

BUDGET ADVOCACY

Power Map (Version 4)

Person / Group	Interest or Objective	Degree of Influence

BUDGET ADVOCACY

VIPs You Need to Know While Doing Budget Advocacy



LCE



SANGGUNIAN



BUDGET OFFICER



“MONEY BAGS”

TREASURER & ASSESSOR



ACCOUNTANT



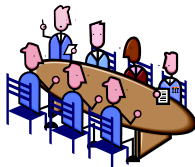
ABC CHAIR



CONGRESSMAN



LPDO



HEADS OF NGAs



**“PRESSURE MAKERS”
(CSOs, Private sector, etc.)**



ADMINISTRATOR



DURING AIP PREPARATION

- influence the LFC and the LCE in the formulation of policy decisions that are embodied in the AIP
- push for inclusion among the priority PPAs those that are truly responsive to the needs of the community rather than those that have been proposed merely for political considerations
- get accreditation as members of the LDC or LFC, or obtain invitation to participate and get involved in the planning and budgeting functions of the said bodies;
- share insights and information on the overall development situation in the community by conducting Current Reality Dialogues with the LGU;
- get involved in the Strategic Direction–Setting Workshop to elicit concrete, specific, realistic priority actions or development strategies to being the LGU to attain its vision;
- take part in Investment Planning and Prioritization Workshop in order to come up with the lists and rankings programs, projects and activities to be implemented; and
- contribute in the identification and prioritization of PPAs and preparation of project profiles or briefs.



DURING BUDGET PREPARATION

- **validate the local budget for consistency with the AIP;**
- **influence department heads in the accurate determination of targets or beneficiaries in their PPAs;**
- **submit recommendations for increasing revenues to support the proposed local budget.**



THANK YOU!