

Performance Challenge Fund



OPERATIONS MANUAL



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Good governance is a key to the country's progress and prosperity. This is what the national government is currently accentuating under the present administration banner policy thrust "TAPAT NA PALAKAD: BAYAN MAUNLAD" attributing good governance demonstrated through efficiently managed, transparent and accountable local operations to bring about better services to the people and eventually growth and development.

In support of this thrust, we have launched the Performance Challenge Fund (PCF), an incentive fund of the national government to stimulate local government units (LGUs) to put premium on performance particularly on the areas of transparency and accountability in order to avail themselves of financial support to jumpstart and sustain local economic development initiatives in their localities.

As we embark on this new venture of enabling LGUs access the PCF, this Operations Manual on the implementation of the PCF shall provide all DILG PCF Project Management Teams and Regional Management Teams a ready reference guide in effectively managing and implementing the program at the ground. This manual will also equip our frontline officers with the tool and enabling mechanisms to be able to effectively carry out the program in their respective areas of assignment.

Likewise, this document serves as reference material for other partners – other government agencies, non-government organizations, civil society organizations, and development partners to facilitate convergence and complementation of efforts.

To all those who are instrumental in the development of this Operations Manual. My Congratulations!

JESSE M. ROBREDO
Secretary

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Definition of Terms



***Cash Program** – Disbursement requirements of the agency, which shall provide cash in a monthly basis to finance the implementation of the agency plans and programs.

Core Roads - Road that contribute most of the transport network

***Notice of Cash allocation (NCA)** - Cash authority issued by the DBM to central, regional and provincial offices and operating units through the authorized government servicing banks of the MDS, to cover the cash requirements of the agencies.

***Special Allotment Release Order (SARO)** – A specific authority issued to identified agencies to incur obligations not exceeding a given amount during a specified period for the purpose indicated. It shall cover expenditures the release of which is subject to compliance with specific laws or regulations, or is subject to separate approval or clearance by competent authority.

***Notice of Transfer of Allotment (NTA)** – refers to the notice given to the depository bank authorizing them to debit the agency account for a certain amount to be transferred to MDS Account of Regional Offices as financial assistance.

***Report of Disbursements (in lieu of the Summary List of Checks Issued and Cancelled)**- reflect all the disbursements of the agency during the month which arises from the a) Notice of Cash Allocation (NCAs) which includes MDS checks issued (including those charged against Notice of Transfer of Allocation and direct payments to external creditors per validated Advice to Debit Accounts in the List of Due and Demandable Accounts Payable; b) Non Cash Availment Authority (NCAA) (for agencies availing of foreign loan proceeds through direct payments).

Project Management - Name the key officers and personnel that will be directly accountable for the project. Describe the on and post-project management scheme, internal monitoring and evaluation procedures.

Project Sustainability- Demonstrate how the benefits/returns of the project can be greater than the costs. Describe how the project will be sustained after the PCF assistance.

Risk Analysis - Describe under what conditions the project will go wrong. Indicate what preventive and mitigation mechanisms need to be installed.

**Source: Budget Expenditure and Sources of Financing (BESF), FMS Manual*

Acronyms and Abbreviations

AIP	Annual Investment Program
CBMS	Community Based Management System
CDP	Comprehensive Development Program
COA	Commission on Audit
CSO	Civil Society Organization
DA	Department of Agriculture
DBCC	Development Budget Coordinating Committee
DILG	Department of the Interior and Local Government
DTI	Department of Trade and Industry
FMS	Financial Management Service
GAA	General Appropriations Act
IRA	Internal Revenue Allotment
LCE	Local Chief Executive
LDF	Local Development Fund
LGC	Local Government Code
LGU	Local Government Unit
LGPMS	Local Government Performance Management System
MDGs	Millennium Development Goals
NEDA	National Economic and Development Authority
NGO	Non-Government Organization
NSO	National Statistics Office
PBIP	Performance-Based Incentive Policy
PCF	Performance Challenge Fund
RPCFMT	Regional Performance Challenge Fund Management Team
SGH	Seal of Good Housekeeping

Overview on Performance Challenge Fund



Background

On February 20, 2009, the Development Budget Coordinating Committee (DBCC) approved the Performance-Based Incentive Policy (PBIP), which provides an incentive framework to rationalize intergovernmental transfers to LGUs towards improving LGU performance in governance and delivery of basic services. PBIP seeks improvement in LGU performance by linking incentives to the achievement of a set of performance targets.

On January 18, 2011, the Office of the President issued a Presidential Directive mandating NEDA, DILG, DA, and DTI to create a system of incentives (e.g. subsidies, concessional loans) and disincentives to ensure that LGUs local projects are aligned with national priorities

Under the Government Appropriations Act of 2011, the DILG has P500M appropriation for Performance-Based Challenge Fund under the Local Government Performance Management Program to cover financial subsidy to qualified LGUs. The Fund shall be used for the implementation of the priority projects of the national government in order to achieve the MDG, maintain core road network to boost tourism and local economic development and comply with the Philippine Disaster Risk Reduction and Management Act of 2010 and the Solid Waste Management Act of 2000.

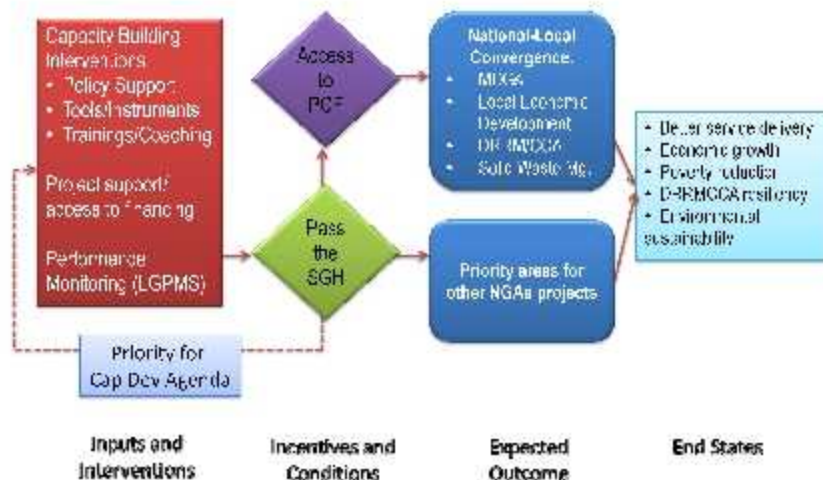
Guiding Principles

The administration of the Performance Challenge Fund (PCF) shall be governed by the following guiding principles:

1. The Department of the Interior and Local Government (DILG) shall establish a Performance Challenge Fund (PCF) as an incentive to qualified Local Government Units (LGUs) for the implementation of local development projects aligned with the national government strategic thrusts and goals.
2. The PCF shall encourage convergence of local development projects with the present administration's priority programs for the achievement of the Millennium Development Goals (MDGs), maintenance of core road network to boost tourism and local economic development, the objectives of the Philippine Disaster Risk Reduction and Management Act of 2010, and the Ecological Solid Waste Management Act of 2000.
3. The PCF shall recognize LGUs exhibiting good performance in internal housekeeping particularly in the areas of transparency and accountability, planning, fiscal management, and valuing performance monitoring.

Performance Incentive Framework

LGU Performance Incentive Framework



Concept of Performance Challenge Fund

The Performance-based Challenge Fund aims help stimulate local governments to put premium on transparency and accountability to enable them to avail themselves of financial support to jumpstart and sustain local economic development initiatives supportive of national government goals and priorities.

Specifically, the PCF aims to:

1. Encourage convergence of local development projects with the present administration's priority programs for the achievement of the Millennium Development Goals (MDGs), tourism and local economic development, the objectives of the Philippine Disaster Risk Reduction and Management Act of 2010, and the Ecological Solid Waste Management Act of 2000.
2. Recognize LGUs exhibiting good performance in internal housekeeping particularly in the areas of transparency, accountability, planning, fiscal management, and valuing performance monitoring.

The PCF is an incentive fund to LGUs in the form of counterpart funding for local development projects in the Annual Investment Program (AIP) which are funded out of the 20% component of the annual internal revenue allotment for development projects provided these are supportive of the national development goals and priorities.

Seal of Good Housekeeping

The Seal of Good Housekeeping for LGUs is mechanism to aggressively scale up interventions to elevate the practice of governance that values transparency, accountability, participation and performance into an institutionalized status.

SGH aims to recognize LGUs with good performance in internal housekeeping particularly on the areas of Sound Fiscal Management, Transparent and Accountable Governance, and Valuing Performance Management. Information on the latter is to be directly culled from the areas of Administrative Governance and Valuing Fundamentals of Good Governance of the Local Governance Performance Management System. Additional pertinent information are to be generated to support the requirements of the Seal.

Passing the Seal of Good Housekeeping is an eligibility criterion to access the Performance Challenge Fund.

For CY 2011, in order to qualify for the PCF grant, target LGUs must ***comply with the eligibility criterion*** focus on:

- Sound Fiscal Management highlighting the **absence of adverse COA findings** on LGU financial statements
- Transparent and accountable governance putting value on **full disclosure policy**.

Implementation Flow and Timelines

The PCF implementation has the following major components and implementation timelines:



Phase 1: Lower Income Cities and Municipalities

April-May 15 2011	May 15-June 15 2011	June 15-30 2011	July-Sept 2011	June-Sept-Dec 2011 Mar-June-Sept-Dec 2012
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Phase 1: High Income Cities and Municipalities and Provinces

May-June 2011	July 2011	August 1-15 2011	August-Sept 2011	Sept-Dec 2011 Mar-June-Sept-Dec 2012
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General Implementing Guidelines



To ensure an efficient and effective implementation of the Performance Challenge Fund, the following guidelines are hereby prescribed:

Eligible LGUs

1. Only Eligible LGUs can apply for the PCF.
2. Eligible LGUs are those which passed the assessment on good housekeeping and conferred with the Seal of Good Housekeeping (SGH).
3. Priority will be given to the less able LGUs (4th to 6th class municipalities, 4th to 5th class cities and 4th-5th class provinces).
4. LGUs which are recipients of PCF for 2010 shall not be eligible to access PCF unless they have completed PCF funded projects and submitted audited report of disbursement.

Amount of PCF Subsidy and Counter-Parting Scheme

The PCF project cost-sharing scheme between the National Government (NG) and the eligible LGU shall be implemented as a matching fund or on a 50-50 basis sharing scheme. The NG shall match the investment of the eligible LGU up to a maximum amount based on the LGU level.

In order to receive the maximum PCF subsidy, an LGU has to provide a specified counterpart amount as illustrated below:

LGU Level	Maximum PCF Subsidy	Minimum LGU Counterpart	Minimum Project Cost with Maximum PCF Subsidy
Province	P 7 Million	P 7 Million	P 14 Million
City	P 3 Million	P 3 Million	P 6 Million
Municipality	P 1 Million	P 1 Million	P 2 Million

The LGU Counterpart must be sourced from the 20% Development Fund of the eligible LGU.

Eligible Projects

1. Projects eligible for the PCF subsidy are those aligned to the achievement of the following national government thrusts and priorities:
 - **Attainment of Millennium Development Goals (MDGs)** (e.g. school buildings, rural health units and health centers, birthing facilities, water and sanitation system, farm-to-market roads, housing and settlements)
 - **Local Economic Development** (e.g. local roads and bridges, tourism facilities, irrigation systems, post harvest facilities, cold storage facilities, ports and wharves, and other economic infrastructures and growth enhancing projects such as market, slaughterhouses, and water supply system)
 - **Adaptation to Climate Change and Preparedness for Disasters** (e.g. flood control, reforestation, solid waste management facilities, storm drainage, dikes and related flood protection measures, slope protection, evacuation centers, rain water collector, early warning devices and rescue equipment).
2. An LGU can receive only one PCF subsidy. However, the PCF subsidy may be applied to as many projects as the LGU may wish to propose for cost-sharing with the National Government.

Utilization of PCF at the Local Level

1. The PCF with the LGU counterpart may be used as:
 - subsidy for big projects of LGUs;
 - counterpart funds for foreign-assisted projects of the LGUs;
 - co-financing for joint projects with other LGUs; and
 - counterpart for projects of the LGUs with the private sector in the context of public partnership in establishing more economic activities.
2. The utilization of PCF shall be governed by the existing policies on the appropriation and utilization of 20% development component of the Annual Internal Revenue Allotment (IRA) of LGUs.

Modality of Release of PCF Subsidy

The PCF Subsidy shall be released to LGUs upon submission of report on full disbursement of LGU counterpart and corresponding physical accomplishment report of the project. Upon receipt of PCF check, LGU shall issue official receipt corresponding to the amount of subsidy received.

Procedures for Accessing PCF Subsidy

1. Assessment of Seal of Good Housekeeping

- 1.1. The DILG shall conduct an annual assessment of LGUs' good housekeeping practices along the governance areas of transparency, accountability, planning, fiscal management, and valuing performance monitoring.
- 1.2. LGUs that passed the assessment shall be conferred with the SGH which shall make them eligible to apply for PCF subsidy.

2. Application and Compliance to PCF Requirements

Upon conferment of the SGH, eligible LGUs shall submit, within thirty (30) days, a letter of interest to their respective DILG Regional Offices accompanied by the following documents for evaluation:

- 2.1. Project Proposal inclusive of Annual Investment Program, Program of Work, Detailed Estimates, and Detailed Engineering Design (for infrastructure projects)
- 2.2. Sanggunian Resolution
 - Authorizing the Local Chief Executive to enter into a Memorandum of Agreement (MOA) for the PCF subsidy;
 - Approving the allocation of LGU funds as counterpart to the PCF subsidy; and
 - Certifying that the project is included in the current Annual Investment Program.
- 2.3. Certification from the Budget Officer that the project has an allocation from the 20% component of the IRA for development projects.

3. Review of Project Proposals and Approval of PCF Subsidy

- 3.1. Within fifteen (15) days after receipt of the letter of interest and complete required documents, the DILG Regional Office shall conduct the review of the LGU's application and appraisal of the project proposal. If necessary, site inspection shall be conducted to assess the location and physical viability of the project.
- 3.2. After satisfactory compliance with the requirements and approval of the project proposal, the eligible LGU shall enter into a Memorandum of Agreement (MOA) with the Department of the Interior and Local Government (DILG) through the Regional Director.
- 3.3. The Regional Office shall issue the LGU a Certificate of Availability of Funds for the corresponding amount of the approved PCF subsidy and shall be required to submit the following documents:
 - Certification from the Local Treasurer on the availability of counterpart fund
 - Certification from a Government Bank that the LGU had opened a Trust Account for the PCF and the corresponding amount of LGU counterpart
 - Appropriations Ordinance to cover the total cost of project/s.

4. Release of PCF Subsidy to LGUs

- 4.1. Upon submission of the report of physical accomplishment and report on disbursement of LGU counterpart, the DILG Regional Office shall release the PCF subsidy to the LGU recipient.
- 4.2. LGU recipient shall issue an official receipt corresponding to the amount of PCF subsidy received.

5. Monitoring and Evaluation of PCF-funded Projects

- 5.1. The LGU recipient shall submit to the DILG Regional Office quarterly progress reports of physical accomplishment and fund utilization, and report of disbursement verified and found correct by the Commission on Audit (COA) Field Auditor.
- 5.2. Upon completion of the project, the LGU recipient shall submit a project completion report to the DILG Regional Office inclusive of the following documents:
 - Certificate of Completion
 - Certificate of Acceptance (if by Contract)
 - Disbursement Report verified by local COA Officer

Procedures for Accessing Fund



Fund Allocation

Of the total PCF budget of P500M, P490M (98%) shall be allocated for PCF subsidy to LGUs and P10M (2%) shall be allocated for operational expenses of the DILG.

The P490M shall target 20% of all LGUs across each level distributed as follows:

Target LGUs	Total Number of LGUs	Target Number of Recipients (20%)	Amount of PCF Subsidy	Allocation/Level of LGU
Municipalities	1512	303	P1M	P303M (62%)
Cities	122	25	P3M	P 75M (15%)
Provinces	80	16	P 7M	P 112M (23%)
Total		344 LGUs		P 490M

The remaining P10M (2%) shall be used for the assessment of the seal of good housekeeping, providing assistance to LGUs to comply with the PCF requirements, review and appraisal of LGU proposals and monitoring the progress of the LGUs implementation of PCF-funded projects, and evaluation of PCF implementation.

Reporting and Feedback Mechanism

1. The DILG Regional Offices shall submit to the Finance and Management Service (FMS) and Bureau of Local Government Development (BLGD) of the DILG Central Office quarterly reports on the financial and physical accomplishments of the projects undertaken by LGUs every 5th day of the month following each quarter.
2. The DILG shall submit to DBM, HOR and Senate Committee on Finance quarterly reports on the financial and physical accomplishments
 - List of LGU beneficiaries with the corresponding financial subsidy,
 - projects undertaken by the LGU beneficiaries,
 - utilization of funds, and
 - program evaluation and assessment reports

Implementation Management Structure

To ensure smooth PCF program management and compliance to the provision of GAA of 2011, the following committees and their corresponding functions shall be organized:

PCF Steering Committee

The PCF Steering Committee shall be organized to provide policy guidance and oversee the overall administration of PCF to be composed of the following:

Chair	:	Secretary
Vice-Chair	:	Undersecretary for Local Government
Members	:	Assistant Secretary for Finance and Controllershship
		Director, Bureau of Local Government Development (BLGD)
		Director, Bureau of Local Government Supervision (BLGS)
		Director, Office of Project Development Services (OPDS)
		Director, Financial Management Service (FMS)
		Director, Internal Audit Service (IAS)
		Director, Office of Public Affairs (OPA)

Representative/s from Civil Society Organizations (CSOs) shall be invited to be part of the PCF Steering Committee.

The PCF Steering Committee shall submit quarterly reports on the financial and physical accomplishments of the PCF to the Department of Budget and Management (DBM), the House Committee on Appropriations and the Senate Committee on Finance,

Management Structure



PCF Project Management Team

The PCF Project Management Team shall be composed of focal persons from the following offices and shall lead in the implementation of specific PCF components:

Application and Monitoring of PCF Requirements	Bureau of Local Government Development (BLGD)
Assessment and Validation of Seal of Good Housekeeping (SGH)	Bureau of Local Government Supervision (BLGS)
Project Proposal Review and Appraisal	Office of Project Development Services (OPDS)
Fund Management and Release	Financial Management Service (FMS)
Monitoring and Evaluation	Internal Audit Service (IAS)
Communication and Advocacy	Office of Public Affairs (OPA)

The PCF Project Management Team shall also have the following functions:

- 1) Carry out program implementation and provide assistance to Regional Offices;
- 2) Ensure compliance with PCF guidelines;
- 3) Conduct periodic monitoring on the utilization of funds;
- 4) Prepare and submit to the Secretary and the Project Steering Committee quarterly reports on financial and physical accomplishments of the PCF and post the same in the DILG website on a quarterly basis the list of LGU beneficiaries with the corresponding financial subsidy, projects undertaken by the LGU beneficiaries, utilization of funds, and program evaluation and/or assessment reports.
- 5) Prepare evaluation and assessment reports on program implementation; and
- 6) Provide secretariat services to the PCF Steering Committee.

Project Management Team



Regional PCF Management Team

The Regional PCF Management Teams shall be organized to perform multiple tasks in the implementation of PCF. It shall be composed of the following:

Chair : Regional Director
Vice-Chair : Assistant Regional Director
Member : Designated LGPMS Focal Person
Designated SGH/PCF Focal Person
Head, PDMU or Special Projects
Regional Accountant
Regional Budget Officer
Provincial SGH/PCF Focal Person

Representative/s from the Civil Society Organizations (CSOs) shall be invited by the Regional Director to participate in the conduct of assessment and validation of internal housekeeping, review and appraise project proposals of eligible LGUs and monitor and evaluate PCF funded projects of LGUs.

The RPCFMT shall perform the following functions:

- 1) Advocate SGH and PCF to LGUs
- 2) Conduct assessment and validation of internal housekeeping;
- 3) Facilitate application and compliance to requirements of eligible LGUs;
- 4) Provide technical assistance to eligible LGUs;
- 5) Review and appraise project proposals of eligible LGUs;
- 6) Manage and release PCF subsidy; and
- 7) Monitor and evaluate PCF funded projects of LGUs.

Performance Challenge Fund Implementation Flow



Application and Compliance to Requirements

There are three steps involved in accessing the PC Fund, as follows:

1. Advocacy to Eligible LGUs
2. Application and Compliance to Subsidy Requirements
3. Pre-qualification Document Review

a) Advocacy to Eligible LGUs

- 1) Upon conferment with Seal of Good Housekeeping, concerned regions shall conduct orientation briefing to eligible LGUs on the requirements in accessing the PCF Subsidy.
- 2) Within one (1) month eligible LGUs shall submit complete documentary requirements to the DILG Regional Office for evaluation.

b) Application and Compliance to PCF Subsidy Requirements

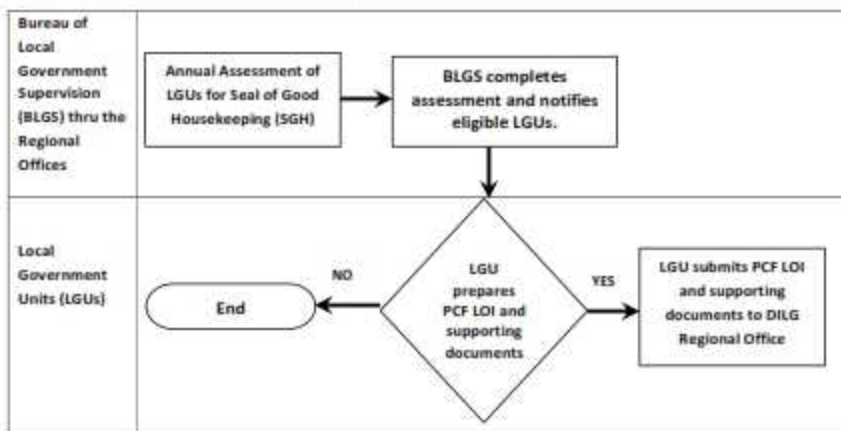
- 1) Within one (1) month eligible LGUs shall signify their interest to the PCF Subsidy and submit the following documentary requirements to the DILG Regional Office for evaluation:

- **Letter of Intent (LOI)** from the LCE (*Annex A1*)
- **Project Proposal (*Annex A2*)** which shall include the ff: (for infra)
 - Documents showing that the project is in the 2011 Annual Investment Plan
 - Program of Work (for infrastructure projects)
 - Detailed Estimates
 - Detailed Engineering Design
 - Two canvass for goods/equipment
- **Sanggunian Resolution (*Annex A3*)**
 - Authorizing the LCE to enter into a MOA (Attached as *Annex A4*)
 - Approving allocation of LGU funds as counterpart to the PCF Subsidy
 - Certifying that the project is included in the 2011 Annual Investment Program
- Certification from the Local Budget Officer and Local Treasurer that the project has a budget allocation from the 20% Development Fund and that the fund is available; (*Annex A5*)
- Certification from a Government Bank Manager that the LGU had opened a Special Account purposely for the PCF and LGU counterpart including the details of the account.

c) Pre-qualification Document Review (Annex A6)

- 1) Upon receipt of the documents, Regional PCF Team shall conduct a desk review of the same to determine LGU compliance to all requirements, accuracy and completeness of data/information.
- 2) Eligible LGUs shall immediately be notified if there are incompleteness of documents submitted

Flowchart on Eligibility and Application to PCF



Project Review, Appraisal & Approval and Implementation

1. Desk Appraisal

Upon completion of the required pre-qualification documents, the RPCFT shall thoroughly review the Project Proposal submitted by the beneficiary LGU based on the eligibility criteria. Desk appraisal will also involve the review of the following:

- a) For Infrastructure Projects
 - Detailed Engineering Design
 - Program of Works
 - Detailed Estimates
 - Pictures of the Proposed Site
 - Bar Chart/S-Curve
- b) For Procurement of Goods/Equipment
 - Quantity and Specifications
 - Cost Estimate based on three (3) quotations from the supplier
 - Delivery Schedule

Any comments/recommendations/suggestions as a result of the review by the RPCFT shall be communicated to the concerned LGU for appropriate action/integration.

2. Site Validation/Field Appraisal

If the proposed subproject is eligible for subsidy financing under the PCF, the RPCFMT may conduct field appraisal to the beneficiary LGU and shall consider the following parameters, among others:

- Proof that the subproject is included in their Annual Investment Plan (AIP)
- The proposed site or the subproject will not pose adverse environmental impacts and resilient to disaster
- Proof of ownership of the proposed site, if applicable
- Capability of the LGU to implement the subproject based on institutional competence in managing existing local development projects (if by administration)
- For water supply projects, waiver or deed of donation from landowner/s where transmission/distribution lines may pass through including the location of water source and reservoir.

The result of this appraisal will be the basis of the RPCFT to approve the subproject/s.

The pro-forma Appraisal Review Matrix (ARM) is attached as **Annex B1**

3. Approval

Upon approval, the RPCFT shall provide the DILG-CO the approved lists of LGUs with corresponding type of subproject/s including the estimated costs categorized into PCF Subsidy and LGU equity based on the approved LGU-PCF cost sharing arrangement as stipulated including the individual project ARM.

The DILG-CO, will then process and issue sub-allotment to the Regional Office thru Notice of Transfer of Allocation (NTA) including Supplemental Delegation of Authority (SDA) to the Regional Director. Upon receipt of the NTA and SDA, the Regional Office shall prepare the Certificate of Availability of Funds (CAF) covering the PCF Subsidy.

Simultaneously, the RPCFT shall notify LGUs on the approval of their subproject/s and advise them to forge a Memorandum of Agreement between the DILG - RO and the LGU. Once signed, the DILG-RO and LGU will issue their respective CAF and the LGU shall prepare/comply with the following documents:

- Procurement Documents
- Open Trust/Special Account (for PCF and LGU Equity)
- Enact Appropriation Ordinance covering the total project cost

4. Procurement

All procurement actions shall be the responsibility of the beneficiary LGUs utilizing their Bids and Awards Committee (BAC) and shall strictly adhere to the provisions of Republic Act 9184 or the Government Procurement Reform Act and its revised Implementing Rules and Regulations.

After the procurement actions had concluded, the LGU, through their respective BAC shall provide copies of the following documents to the DILG-RO:

- Signed/Perfected Contract
- Construction Schedule with S-Curve and Cash Flow (for civil works)
- Notice of Award with the Bidder's conforme
- Notice to Proceed with the Bidder's conforme
- BAC Resolution of Award
- Copy of the Appropriation Ordinance
- Original Copy of Bank's Certification of Trust/Special Account Number including details of the account

5. Monitoring LGU Project Implementation

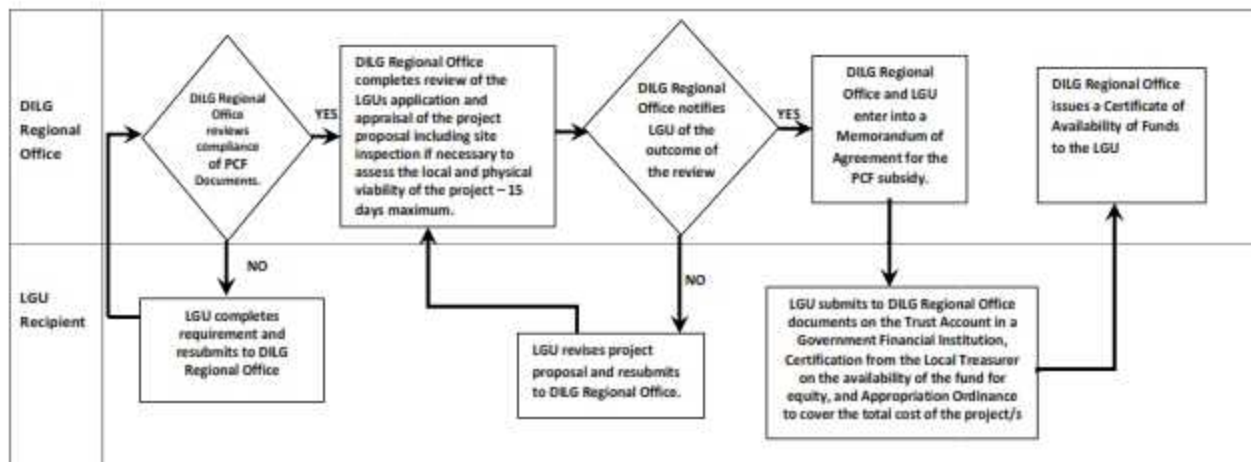
The LGU as the Implementing Agency shall oversee the physical implementation of their respective project to ensure that it is in accordance with the provisions stipulated in the contract. The LGU shall also submit financial and physical accomplishment reports including the Statement of Work Accomplished (SWA) and its summary with a sample attached as ***Annex B2***.

The RPCFMT may conduct field visits to the LGU to monitor/validate physical and financial progress of the project.

Upon project completion, the LGU shall submit to the DILG-RO the Certificate of Completion and Turn-over duly accepted by the LGU including the SWA indicating that the project is 100% completed.

The RPCFT, upon receipt of the said documents, will schedule a field visit to the completed project to conduct joint final validation with the LGU. After the field visit, the RPCFT will prepare and submit its report to the DILG-CO for information and monitoring purposes.

Flowchart on Review and Appraisal of Application



Fund Administration and Management

1. Fund Request and Release to the DILG Regional Offices

- a. The BLGD, in coordination with the DILG Regional office, shall draft the PCF Work and Financial Plan and submit to the PCF Steering Committee for approval
- b. The BLGD shall submit the approved PCF Physical and Financial Plan and Monthly Cash Program to the FMS.
- c. The FMS shall submit the Physical and Financial Plan and Monthly Cash Program to DBM
- d. The DBM shall release the SARO with corresponding NCA to the DILG Central Office – FMS
- e. FMS shall inform BLGD of the receipts of the PCF SARO and NCA.
- f. The regions will submit to BLGD the list of approved project proposals of eligible LGUs with the corresponding amount.
- g. Upon receipt of the list of PCF recipient/beneficiary by the regions, the BLGD shall request FMS to sub-allot funds to the regions.
- h. The FMS shall prepare the sub-allotment, issue supplemental delegation of authority to Regional Directors to be signed by SILG and release the corresponding Notice of Transfer of Allotment (NTA) to Regional Offices
- i. Regional Offices shall record receipts of sub-allotment and corresponding NTA.

2. PCF Release to LGU Recipients

- a. Before RO release the PCF subsidy to the LGU recipient/beneficiary, the following documents must be submitted:
 1. Physical report of accomplishment
 2. Report of disbursement on the LGU counterpart verified and found correct by the Local COA Officer (**Annex C1**). In the absence of the audited Report of Disbursement, a certification of disbursement from the Local Accountant and duly approved by the LCE may be submitted (**Annex C2**)
- b. Upon submission of all the required documents, the Regional Office shall issue the check to the LGU recipient/beneficiary.
- c. LGU recipient/beneficiary shall issue an official receipt to the Regional Office acknowledging the receipt of check and deposit it to the 'trust account' opened for the purpose.

3. Fund Utilization

- a. LGU recipient/beneficiary shall utilize the PCF subsidy on the implementation of the approved project proposal subject to accounting and auditing rules and regulations
- b. An LGU can only receive only one (1) PCF subsidy. However, the PCF subsidy may be applied to as many projects as the LGU may wish to proposed for cost sharing
- c. The PCF subsidy with the LGU counterpart may be used:
 - As subsidy for big projects of LGUs;
 - As counterpart funds for foreign-assisted projects of the LGUs;
 - As co-financing for joint projects with their LGUs; and

- As counterpart for projects of the LGUs with the private sector in the context of public partnership in establishing more economic activities
- d. The utilization of PCF shall be governed by the existing policies on the appropriation and utilization of 20% development component of the IRA of LGUs.
 - e. In the event that the LGU recipient/beneficiary have unutilized funds, the LGU shall return the fund to the DILG Regional Office and then to Central Office

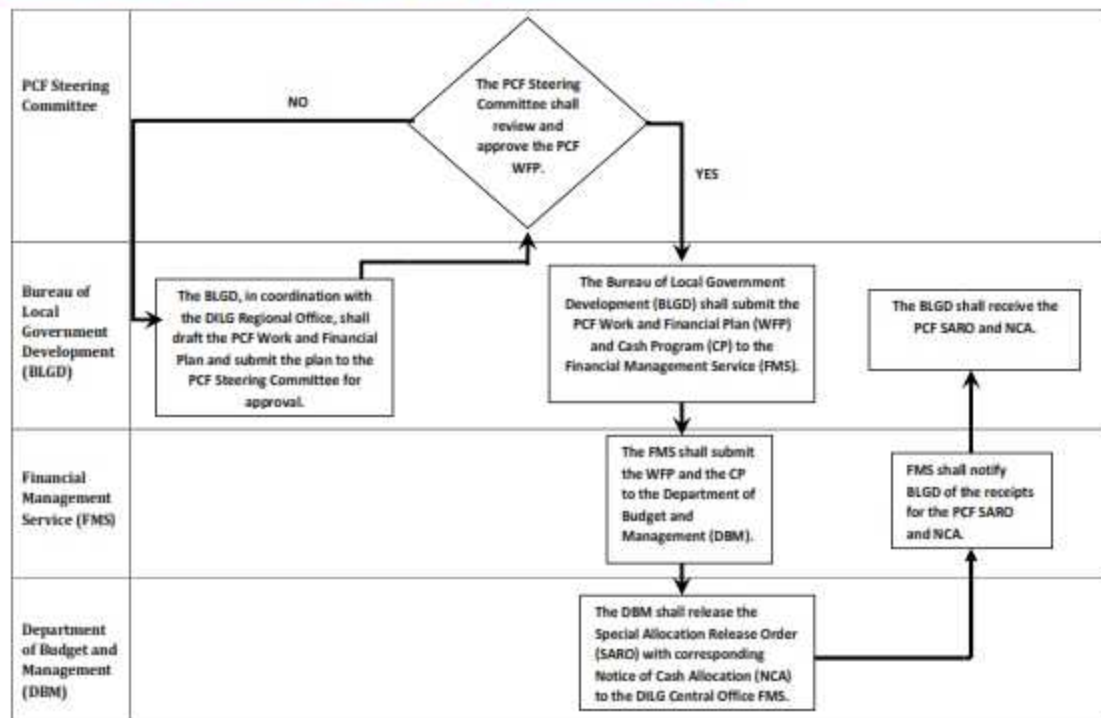
4. Fund Allocation

- a. Of the total approved PCF budget, 98% shall be allocated as PCF subsidy to eligible LGUs and 2% shall be allocated for operational expenses of the DILG.
- b. The allocation for the eligible LGUs shall be by level: for municipalities - P1 M; Cities - P3M; and Provinces - P7M; which serves as counterpart to the LGU.
- c. The 2% shall be used for the assessment of the seal of good housekeeping, providing assistance to LGUs to comply with the PCF requirements, review and appraisal of LGU proposals and monitoring the progress of the LGUs implementation of PCF-funded projects, and evaluation of PCF implementation.
- d. The funds to be transferred to the Regional Offices will be based on the number of LGUs assessed and the number of LGU beneficiaries.
- e. The BLGD shall review the Regions' WFP and recommend to PCF Steering Committee for approval and release.

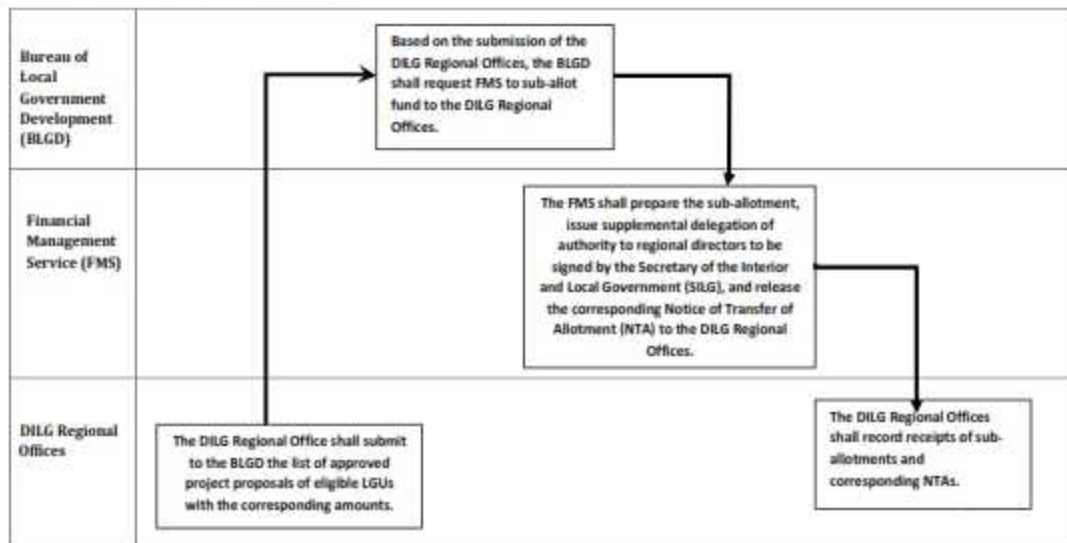
5. Fund Reporting

- a. LGU recipient/beneficiary shall submit to the Regional Office a **report of disbursement (Attached as Annex C2)** of the PCF Subsidy verified and found correct by local COA Officer. The report shall be submitted on the 10th day of the month following the quarter.
- b. The Regional Office shall submit a **consolidated report of disbursement** prepared by the Regional Accountant to the Central Office on the third week of the month following the quarter.

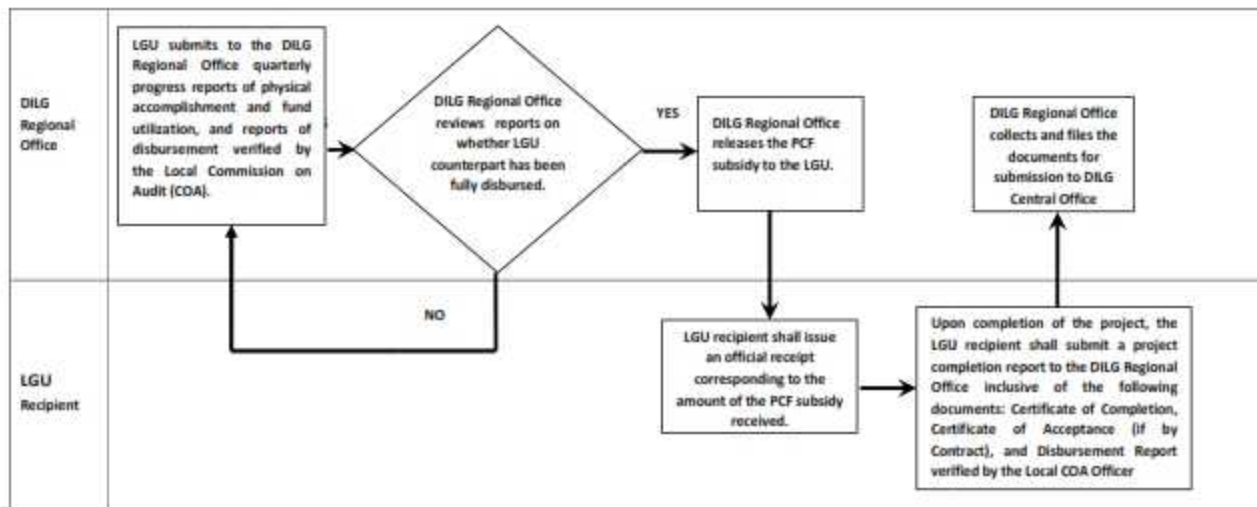
Flowchart on Performance Challenge Fund Management



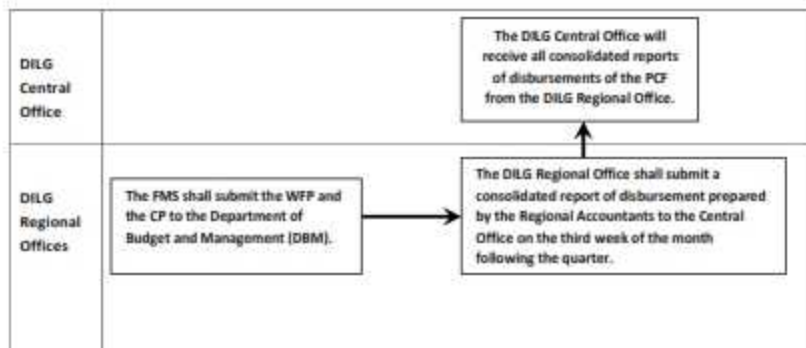
Flowchart on Fund Allocation



Flowchart on Release and Monitoring of the PCF Subsidy to the LGU



Flowchart on Fund Reporting





As a requirement, the DILG shall submit to the DBM, the House Committee on Appropriations and the Senate Committee on Finance a separate quarterly report on the financial and physical accomplishments of the PCF or post on its official website the list of LGU beneficiaries with the corresponding financial subsidy, projects undertaken by the LGU beneficiaries, utilization of funds, and program evaluation and/or assessment reports. The SILG shall be responsible for ensuring compliance with this requirement.

To carry out this mandate lodged to the DILG, there is a need to come up with mechanisms that will spell out the guidelines, procedures and documentary requirements in eliciting up to date information on the overall status of implementation of the PCF from the LGU beneficiaries. It is also important to provide feedback to PCF Management on identified problems and issues which impede project implementation or PCF utilization so that remedial actions shall immediately be given at any level. Further, provision of information on lessons learned on project implementation is also necessary for future planning on similar or related programs. In the end, evaluation of projects implemented shall be needed to determine whether these projects had been supportive or consistent with national goals and priorities.

Scope And Coverage

Monitoring and evaluation of the PC Fund shall cover the following:

1. Implementation of the Performance-based Challenge Fund in eligible LGUs;
2. Projects implemented by LGU beneficiaries of the PC Fund within the implementation period that are supportive to the achievement of the MDGs, will help boost tourism and local economic development, and will comply with the DRRM Act of 2010 and ESWM Act of 2000; and
3. The role of DILG to provide monitoring and evaluation reports at all levels that will ensure compliance to the GAA for the PC Fund.
4. Monitoring and evaluation of the 2% administrative cost of PCF

Responsibility Arrangement And Coordination Linkages

1. The National PCF Technical Working Group (TWG) is responsible in providing quarterly report to the DBM, the House of Committee on Appropriations and the Senate Committee on Finance on the financial and physical accomplishments of the PCF or post on its official website the list of LGU beneficiaries with the corresponding financial subsidy, projects undertaken by the LGU beneficiaries, utilization of funds, and program evaluation and/or assessment reports.
2. The Financial Management Service (FMS) is responsible in evaluation and monitoring of all PC Fund releases to eligible LGUs nationwide.
3. The Regional PCF Team is responsible in providing report on fund releases, quarterly monitoring report on financial and physical accomplishment on PC Fund and project implementation, and evaluation report on project completion to the National PCF TWG and FMS.

4. Provincial PCF Focal Person is responsible in submitting to the Regional PCF Team all reports on financial and physical accomplishments and project completion submitted by the LGU beneficiary through the concerned CLG00/MLG00.
5. The concerned CLG00/MLG00 shall ensure all submission of financial and physical accomplishment reports from the LGU beneficiary and submit the same to the Provincial PCF Focal Person.
6. The LGU beneficiary shall submit on a quarterly basis through channel financial and physical accomplishment reports relative to the PC Fund utilization or project implementation until completion of the project.

Coordinating mechanisms shall be provided at all levels in terms of information dissemination, submission of reports, monitoring and evaluation of project implementation and feedback and problem solving activities. CSOs shall be involved in the monitoring activities based on criteria and qualifications set by DILG.

Guidelines and Procedures

A. LGU Beneficiary Counterpart Fund

1. The LGU beneficiary shall submit to the Regional PCF Team through channel physical accomplishment report and disbursement report verified and found correct by the COA Field Auditor on its counterpart to the project.
2. Upon receipt of the report, Regional PCF Team together with CSO representative shall review and evaluate reports and documentary requirements to include conduct of ocular inspection of the project's physical accomplishment. CSO representative shall come from the Project Monitoring Committee of the LGU beneficiary.
3. The Regional PCF Team shall prepare and submit assessment report on the implementation of LGU counterpart to the National PCF Technical Working Group.
4. All reports and other documentary requirements must be posted in respective website of DILG central and regional offices including website of concerned of LGUs, if available.

B. PC Fund Release

1. Upon release of the PC fund to the LGU beneficiary within a month, the Regional PCF Team shall prepare and submit report of release/s to the National PCF TWG copy furnished FMS and BLGD.
2. The National PCF TWG, through the FMS, shall prepare and submit quarterly consolidated report of releases of PC Fund to the DBM copy furnished House Committee on Appropriation and Senate Committee on Finance.
3. All fund release reports and other documentary requirements must be posted in respective website of DILG central and regional offices including website of concerned of LGUs, if available.

C. Periodic Monitoring of PC Fund Utilization and Project Implementation

1. Through channel of coordination linkages (Provincial PCF Focal Person and C/MLG00) the Regional PCF Team shall coordinate conduct of periodic monitoring of PC Fund utilization and project status of implementation and ensure submission of required report from the concerned LGU beneficiary.
2. The LGU beneficiary shall prepare and submit through channel monthly, if project is less than six months period of implementation, or quarterly physical and financial accomplishment reports verified and found correct by the COA Field Auditor to the Regional PCF Team.
3. Upon receipt of the reports, the Regional PCF Team together with CSO representative shall review the report submitted and come up with comments/observations and recommendations, if any. The Team with CSO representative shall conduct ocular inspection of the project to validate report and substantiate comments/observations and recommendations, if any. In case of negative findings and observations or slippage, the LGU beneficiary will be required to submit exception report which contains negative finding or slippage, its cause/s and recommendations or actions taken.
4. The Regional PCF Team shall consolidate the financial and physical accomplishment reports submitted and endorse the same to the National PCF TWG on quarterly basis with attachments, if necessary, such as comments/observation, recommendations or exception report. The National PCF TWG may conduct ocular inspection to any project being funded by the PCF.
5. The National PCF TWG shall submit on quarterly basis consolidated reports on financial and physical accomplishment on the PC Fund utilization and project implementation to the DBM, the House Committee on Appropriations and the Senate Committee on Finance.
6. All periodic reports and other documentary requirements must be posted in respective website of DILG central and regional offices including website of concerned of LGUs, if available.

D. Project Completion

1. Within fifteen (15) days after the completion of the project or turnover of the project by the contractor to the LGU as the case maybe, the LGU beneficiary shall submit through channel an overall financial report verified and found correct by the COA Field Auditor and project completion report with certificate of completion or turnover/acceptance statement to the Regional PCF Team.
2. Upon receipt of the reports, the Regional PCF Team together with CSO representative shall evaluate the reports submitted together with the attachments and come up with comments/observations and recommendations, if any. The Team shall conduct ocular inspection of the completed project to validate report and substantiate comments/observations and recommendations, if any.
3. If found in order, the Regional PCF Team shall submit to the National PCF TWG an evaluation report of the project completed by the LGU beneficiary together with the overall financial report verified and found correct by the COA Field Auditor and project completion report with certificate of completion or turnover/acceptance statement submitted by the LGU beneficiary.

4. The National PCF TWG shall consolidate and submit an overall financial report of the PC Fund utilization and project completion reports based from the reports submitted from the regional level.
5. All project completion reports must be posted in respective website of DILG central and regional offices including website of concerned LGUs, if available.

E. PCF Implementation Evaluation

1. The LGU Beneficiary shall be required to submit through channel to the Regional PCF Team an immediate evaluation report that will contain quantitative dimensions such as actual work accomplishment and fund disbursed, number of beneficiaries of the project, employment generated while project is implemented, etc., and qualitative dimensions such as valuing LGU performance, positive attitudinal changes among local officials, positive outlook on compliance to policies and requirements.
2. Based from the immediate evaluation report submitted by the LGU beneficiary, the Regional PCF Team shall prepare and submit to the National PCF TWG an intermediate evaluation report on the PCF Implementation which will reflect the quantitative and qualitative benefits derived from the PCF implemented as financial subsidy to the LGU beneficiaries.
3. The National PCF TWG shall prepare and submit to the DBM, the House Committee on Appropriations, and Senate Committee on Finance an overall evaluation report on the implementation of the PFC for the year which will reflect the immediate results of the PCF as financial subsidy to the LGU beneficiaries and awardees for the Seal of Good Housekeeping. The evaluation report of the National PCF TWG shall be based from the evaluation reports submitted by the Region PCF Teams.
4. All evaluation reports must be posted in respective website of DILG central and regional offices including website of concerned LGUs, if available.

Monitoring and Reporting Forms

The following monitoring and reporting forms shall be utilized in the conduct of monitoring and submission of the required reports by all levels to include the level of the LGU beneficiaries:

- | | | |
|---------------------------|---|--|
| 1. PCF Report Form No. 01 | - | Quarterly Physical Accomplishment Report to be utilized by the LGU (<i>Annex D1</i>) |
| 2. PCF Report Form No. 02 | - | Quarterly Physical Accomplishment Report to be utilized by the LGU and Consolidated by the Regional Office (<i>Annex D2</i>) |
| 3. PCF Report Form No. 03 | - | Final Quarterly Physical Accomplishment Report for PCF Implementation to be utilized by the LGU Beneficiary (<i>Annex D3</i>) |
| 4. PCF Report Form No. 04 | - | Consolidated Final Financial and Physical Accomplishment Report for Project Completion submitted by LGU Beneficiaries to be utilized by the Regional Office (<i>Annex D6</i>) |

List of Annexes

PCF Requirement Forms

- Annex A 1.** Sample Letter Of Intent
- Annex A 2.** Performance Challenge Fund Project Proposal Format
- Annex A 3.** Resolution
- Annex A 4.** MEMORANDUM OF AGREEMENT Template
- Annex A 5.** C E R T I F I C A T I O N Of The 20% IRA For Local Development Projects
- Annex A 6.** Performance Challenge Fund Application Cover Sheet

PCF Review and Appraisal Forms/Reports

- Annex B 1.** Appraisal Review and Approval Form (ARFP)
- Annex B 2.** Statement of Work Accomplished

PCF Fund Disbursement Forms

- Annex C 1.** REPORT OF DISBURSEMENT
- Annex C 2.** CERTIFICATION on the status of fund for the LGU counterpart under the PCF project:

PCF M & E Report Forms

- Annex D 1.** Quarterly Physical Accomplishment Report
- Annex D 2.** Quarterly Physical Accomplishment Report
- Annex D 3.** Final Quarterly Physical Accomplishment Report
- Annex D 4.** Consolidated Final Financial and Physical Accomplishment Report



SAMPLE LETTER OF INTENT

REPUBLIC OF THE PHILIPPINES
Province of _____
City/Municipality of _____
Office of the City/Municipal Mayor

Date _____

Dir. (Name of RD of concerned region)

Region _____

Address _____

Dear Director _____:

The Local Government of _____ is greatly honored to have been awarded with the Seal of Good Housekeeping for CY 2011 conducted by your Department.

In view of this, we are signifying our intention to avail of the Performance Challenge Fund subsidy of One Million Pesos (P 1,000,000.00) from the Department of the Interior and Local Government.

In behalf of the people of _____, we hereby extend our appreciation for the said subsidy which would greatly benefit our constituents.

Very truly yours,

MUN MAYOR

Performance Challenge Fund Project Proposal Format

Project Code	
(i.e. MDGs)	2
School Building	

I. Description

A. Project Location

Provide data on the location of the project including Congressional District of the LGU.

B. Brief Summary of the Project

- Indicate the development concerns that the project wishes to address and cite existing indicators to describe the development situation.
- Elaborate on the potential impact of the project on the locality and/or community.
- Enumerate indicators that will demonstrate the current the conditions being addressed.
- Discuss if the project is complementary to other projects (i.e. CLT, Pamana and Focus LGUs)

C. Project Goals and Objectives

- Describe project goals (what you hope to achieve) and objectives (in measurable terms).

D. Target Beneficiaries

- Identify the direct and indirect beneficiaries of the project, and the potential project benefits that might accrue to them.

E. Project Partners

- Describe other partners in the project, CSO participation, their roles and commitments, if any.
- Describe other sources of funding for the project including other support received relevant to this proposal.

II. Project Components and Implementation Schedule

- Identify and describe the major components and activities to be carried out in the implementation of the project. The plan should be presented by task with the responsible parties which shall carry out the tasks.
- Include a time table of activities showing when each task will be completed. This should be presented in a table format and cover all months or quarters of the project implementation.

III. Work and Financial Plan

Include detailed financial schedules of the proposed project

Line Items	LGU Counterpart	Other Partners Support	PCF Subsidy	Total
Total				
% share				

IV. Project Management

Name the key officers and personnel that will be directly accountable for the project. Describe the on and post-project management scheme, internal monitoring and evaluation procedures.

V. Project Sustainability

- Demonstrate how the benefits/returns of the project can be greater than the costs.
- Describe how the project will be sustained after the PCF assistance in terms of policy, user's fees and charges (i.e. water tariff) and related ordinances; office/unit responsible for the operation and maintenance.

VI. Risk Analysis

Describe under what conditions the project will go wrong. Indicate what preventive and mitigation mechanisms need to be installed.

Sample Resolution

RESOLUTION NO. _____ Series of 2011

RESOLUTION SUBSIDYING AUTHORITY TO THE MUNICIPAL/CITY MAYOR _____ REPRESENTING THE LOCAL GOVERNMENT UNIT OF _____ TO ENTER INTO MEMORANDUM OF AGREEMENT (MOA) WITH THE DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT - REGIONAL OFFICE NO. ____ REPRESENTED BY ITS REGIONAL DIRECTOR FOR THE IMPLEMENTATION OF THE PERFORMANCE CHALLENGE FUND (PCF) IN THE AMOUNT OF _____ PESOS (P) FOR THE (NAME OF PROJECT) OF THE MUNICIPALITY/CITY OF _____, APPROPRIATING _____ (P) FOR THE COUNTERPART THEREFOR AND CERTIFYING THAT SAID PROJECT IS INCLUDED IN THE CY 2011 ANNUAL INVESTMENT PLAN (AIP) OF THIS MUNICIPALITY/CITY.

WHEREAS, the Performance Challenge Fund (PCF) is being administered by the Department of the Interior and Local Government (DILG) in collaboration with the Department of Budget and Management (DBM) to recognize good governance performance particularly in the adoption of the internal good housekeeping;

WHEREAS, the Municipality/City of _____ is one of the recipient of the Performance Challenge Fund (PCF) in the amount of _____ for the (name of project) hereby appropriated _____ (P) as counterpart fund;

WHEREAS, upon thorough review of the terms and conditions of the Memorandum of Agreement (MOA), the same are found to be in order;

NOW THEREFORE,

On motion of Hon. _____, deemed seconded by Hon. _____, it was RESOLVED, to authorize, and this body hereby authorizes the Municipal/City Mayor, Hon. _____, representing the LGU of _____ to enter into MOA with the DILG-RO for the implementation of the PCF funded project in the amount of P _____ for (name of project) appropriating _____ (P) for the counterpart fund therefor and certifying that said (name of project) is included in the CY 2011 AIP of this Municipality/City.

RESOLVED FURTHER, to furnish copy of this resolution to the Municipal Mayor, Hon. _____ and DILG-RO No. __ for their information and reference.

APPROVED: _____ [date]

X-----X

HEREBY CERTIFY to the correctness of the foregoing resolution.

SB Secretary

ATTESTED: Presiding Officer

MEMORANDUM OF AGREEMENT

This Memorandum of Agreement entered into and executed this ____ of _____ by:

The **Department of the Interior and Local Government (DILG)** herein referred to as the **DILG-Region ____** with principal address at _____, represented herein by Regional Director _____.

- and -

The **Local Government Unit** _____, herein referred to as **LGU** PCF Subsidyee with principal office at _____ and represented in this agreement by its **(Governor/City/Municipal Mayor)** _____ by virtue of Municipal Sanggunian Resolution No. __ Series of ____.

WITNESSETH

WHEREAS, the Department of the Interior and Local Government (DILG) through the Bureau of Local Government Development (BLGD) is the Office with primary responsibility in localizing the Millennium Development Goals (MDGs) and capacitating LGUs to effectively discharge their powers and functions towards improving the delivery of basic services and facilities to their constituents;

WHEREAS, the Development Budget Coordinating Committee (DBCC) of the Department of Budget and Management (DBM) approved the Performance Based Incentive Policy (PBIC) which provides for an incentive framework to rationalize national government and intergovernmental transfers to LGUs towards improving LGU performance in governance and delivery of basic services.

WHEREAS, the Performance Challenge Fund (PCF) for Local Government Units is an incentive fund for LGUs in the form of counterpart funding to high-impact capital investment projects in the Annual Investment Program (AIP) and funded out of the 20% Local Development Fund (LDF) consistent with national development goals and priorities;

WHEREAS, the Performance Challenge Fund (PCF) is being administered by the Department of the Interior and Local Government in collaboration with the Department of Budget and Management (DBM) to recognize good governance performance particularly in the adoption of "good housekeeping" along the governance areas of development planning, sound financial management, transparency and accountability, and valuing performance monitoring;

WHEREAS, the Performance Challenge Fund progressive realization to achieve the Millennium Development Goals (MDGs), maintenance of core road network to boost tourism and local economic development and comply with the Philippine Disaster Risk Reduction (DRR) and Management Act of 2010 and Ecological Solid Waste Management Act of 2000, programs and projects is anchored on the contribution of local government units (LGUs), as well as non-government and private sector organizations;

WHEREAS, Local Government Units (LGUs), as provided under the Local Government Code of 1991 or Republic Act 7160, assume the primary responsibility for the provision of basic services and facilities and the improvement of quality of life of their constituents towards the achievement of MDGs, DRR and CCA;

WHEREAS, the Province and/or City/Municipality _____, has been has been awarded the Seal of Good Housekeeping thereby entitles the LGU to receive the PC Fund Subsidy amounting to a maximum of _____ (P _____).

NOW, THEREFORE, in consideration of the above premises and of the mutual covenants stipulated hereinafter set forth the PARTIES hereto agree to enter into this Memorandum of Agreement to adhere to the following terms and conditions:

Section 1. Requirements for the Release of PC Fund Subsidy

The following requirements should be submitted to DILG through the DILG Regional Offices:

1. Letter of intent of LGU subsidyee along with the following:

- a. Project Design inclusive of description, location, workplan and project schedule, budget and financing plan, project management and other financing partners or supplementary financing, if any;
- b. Sanggunian Resolution:
 - a) Authorizing the Local Chief Executive to enter into a Memorandum of Agreement (MOA) for the PC Fund subsidy;
 - b) Approving the allocation of LGU funds as counterpart to the PC Fund subsidy; and
 - c) Certifying that the project is included in the 2011 Annual Investment Program
- c. Certification from the Municipal Treasurer that the project is receiving a budget from the 20% Development Fund equivalent to the above requirements.

Section 2. Eligible Projects

Eligible projects for the PC Fund Subsidy are those that support the national priorities of the present administration in achieving the MDGs (e.g. livelihood and employment generating projects, school buildings, hospital and health centers, training and crisis centers) which are implementable in one (1) year.

Section 3. Delineation of Responsibilities

PCF Recipient LGU shall:

1. Comply with the documentary requirements under Section 1 for the release of PC Fund subsidy;
2. Open a Special Account in a government bank and provide the DILG Regional Office a certification from the Local Treasurer and the details of the account;
3. Maintain a Book of Accounts for the PC Fund;
4. Issue an official receipt corresponding to the amount of PC Fund subsidy received;

5. Create a PCF Project Team responsible for the implementation of the project;
6. Submit to the DILG Regional Office quarterly physical reports of accomplishments and fund utilization report; and liquidation report verified by the local COA Officer;

DILG Regional Office shall:

1. Prepare and issue checks as cash advances to the LGU subsidyee subject to Pre-Audit pursuant to COA Circular 2009-2;
2. After 5 working days of satisfactory compliance to PCF subsidy requirements and upon signing of the Memorandum of Agreement between the DILG and LGU subsidyee shall release the PCF Subsidy to the LGU subsidyee;
3. Facilitate the release of PCF subsidy amounting to a maximum of _____P_____ to the recipient LGU upon signing of the Memorandum of Agreement and the satisfactory of submission documentary requirements under Section 1 by the LGU; and
4. Monitor the progress of project implementation by the LGUs and disbursement of funds by the LGU subsidyee and submit consolidated status report on the implementation of PCF funded project, and liquidation report to the FMS; and

This agreement shall take effect immediately upon signing by the representatives of the Parties hereto and shall be enforce within one (1) year upon completion of the project.

IN WITNESS WHEREOF, the Parties hereunto affixed their signatures on this ____ day of _____, at _____, Philippines.

DILG-Regional Office

Department of the Interior and Local Government

Region ____

LGU

Governor and/or City/Municipal Mayor

SIGNED IN THE PRESENCE OF:

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)

) S.S.

BEFORE ME, a notary public, for and in the above jurisdiction, personally appeared on this :

<u>NAME</u>	<u>CTC. NO.</u>	<u>DATE/PLACE OF ISSUE</u>
DILG Regional Director	_____	_____
MAYOR	_____	_____

Known to me to be the person/s who executed the foregoing instrument and acknowledge to me is his/her free and voluntary act and deed.

The parties have signed this Memorandum of Agreement consisting of __ pages, including the page where the acknowledgement is written, and their instrumental witnessed on the left margin of each and every page.

IN WITNESS WHEREOF, I have hereunto set my hand on the date and place above written.

DOC NO. : _____

PAGE NO. _____

BOOK NO. _____

SERIES OF _____

REPUBLIC OF THE PHILIPPINES
Province of _____
City/Municipality of _____
Office of the City/Municipal Mayor

CERTIFICATION

THIS IS TO CERTIFY that the (Name of project) of (location) is incorporated in the CY 2011 Annual Investment Plan (AIP), and the amount of P _____ is allocated under the 20% Local Development Fund for CY 2011 and available as LGU counterpart to the Performance Challenge Fund.

This certification is issued upon the request of Hon. _____, Municipal Mayor, for whatever legal purpose it may serve.

Issued this ____ day of ____ 2011 at _____.

LOCAL BUDGET OFFICER

LOCAL TREASURER



**Performance Challenge Fund
Application Cover Sheet**

Proponent LGU: _____
Income Class of LGU: _____

Project Title: _____
Project Location: _____
Project Partners : _____

Project Duration:
Duration: _____ **months**
Start Date: _____
Completion Date: _____
Possible Inauguration Date: _____

Contact Person: _____
Contact Person's Title/Position: _____
Tel. No. _____ **Mobile No.** _____
Email address: _____

Accountable Person/with PCF Subsidy Acceptance Authority:

Signature of Local Chief Executive/Date

For DILG

Checklist of Attachments

Annual Investment Program for the current year.
Program of Work.
Detailed Estimates.
Detailed Engineering Design (for infrastructure projects).
Sanggunian Resolution

Authorizing the Local Chief Executive to enter into a Memorandum of Agreement (MOA) for the PCF subsidy;
Approving the allocation of LGU funds as counterpart to the PCF Subsidy; and
Certifying that the project is included in the current Annual Investment Program.

Certification from the Budget Officer and Local Treasurer that the project has an allocation from the 20% component of the IRA for development projects.
Certification from Government Bank Manager of LGU Special Account for PCF and LU counterpart



APPRAISAL REVIEW and APPROVAL FORM (ARFP)

Region:	
Province:	
Municipality:	
Congressional District	
Name of LCE:	
Income Class:	
Project Title:	
Appraised Project Cost:	
Contact Number:	
Civil Society Organization (CSO), If any	

Subproject Stages and Requirements	Remarks	Annex
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PRE - QUALIFICATION

1. Letter of intent (LOI)		
2. Executive Order (EO) creating PCFIU		
3. SP/SB Resolution		
a. Authority of the LCE into MOA for the PCF Subsidy		
b. Approving the allocation of LGU funds as counterpart to the PCF Subsidy		
4. Project Proposal		
5. Certification that the Project is included in the current Annual Investment Plan (AIP)		
6. Program of Works (POW) with Detailed Estimates and Quantity Take-Off		

7.	Detailed Engineering Design (DED)		
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APPRAISAL

1. Institutional	Remarks	Annex
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1.1 Proof of Land Ownership (Deed of Donation/Sale, Tax Declaration, Transfer Cert. of Title, Certificate of Land Ownership under CARP, Certificate/Title of Ancestral Domain)

1.2 Land Use/Zoning (Agricultural, Residential, Commercial, Institutional, Public Land)

1.3. Right of Way/Ownership

1.3.1 Deed of Donation/Sale -for Roads/Water Supply

1.3.2 Waiver/ Consent Letter of Land Owners-for Water Supply System

1.4 No non-compensable negative effects on Affected Indigenous People (IPs)/Marginalized Sector/s

1.5 Peace and Order Situation (proposed subproject site)

2. Technical

2.1 Infrastructure

2.1.1 The proposed site is not susceptible to excessive surface run-off or flooding except for small water impounding projects and inland fishery projects.

i. The proposed site is not located on slope that is prone to landslide or erosion.

ii.	The proposed site is not located within or near a faultline.		
2.1.4	The proposed site will not disturb historical and monumental markers.		
2.1.5	Completeness of Detailed Engineering Design (Drawing plans).		
2.1.6	Priced Bill of Quantities and Detailed Estimates.		
2.1.7	Construction Schedule, Bar Chart/S-curve.		
2.1.8	Technical Specifications		
2.1.9	Pictures of Proposed Project Site		

2.2 Goods/Equipment

2.2.1	Specifications and Quantities		
2.2.2	Cost Estimates based on the canvass made by the LGU and validated by the RPCFT		
2.2.3	Delivery Schedule		

3. Environmental

3.1	IEE/ECC Application, if applicable		
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4. Sustainability

4.1	Unit/Personnel identified for the operation and maintenance of the facility		
4.2.	Annual Budget for the operation and maintenance		
4.3.	Proposed user's fees and charges for income generating projects, if required		

5. Complementary Projects to

5.1 CLT

5.2 Pamana

5.3 Focus LGUs

Reviewed and Appraised By:

PDMU Staff/RPCF Team Member

Annex B2



STATEMENT OF WORK ACCOMPLISHED

MINERALS AND METALS SECTOR PROJECT
Ministry of Lands, Surveys and Mineral Resources

Contract No. 101
Project Title: CONSTRUCTION OF LIANGA PUBLIC MARKET
Bidding Certificate No.
Date Covered: May 1-31, 2010

VDPO Loan No. _____

BAS. NO.	DESCRIPTION	QTY.	UOM	Unit Cost	Total Amount	M.S.	Total Comp.			Total Accomplished %			Total Acc. Accomplished			Total in %		
							Planned	Inv. Spent	To Date	Planned	Inv. Spent	To Date	Planned	Inv. Spent	To Date	Planned	Inv. Spent	To Date
RT-PAVEMENT																		
1.1	Formation	1,303.00	sq ft	252.00	516,760.20	2.71%	1,303.00	-	302.30	2.71%	0.00%	2,710%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
1.2	Gravel, 1 1/2" & 3/4" & 1/2" & 1/4"	1,303.00	sq ft	51.72	128,360.30	0.00%	1,303.00	-	302.30	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
1.3	Gravel, 1 1/2" & 3/4" & 1/2" & 1/4"	695.00	cu m	487.74	337,660.20	0.00%	695.00	154.72	450.30	1.06%	0.46%	1.62%	72.00%	27.40%	10.00%	35.411%	40.200%	30.000%
1.4	Gravel, 1 1/2" & 3/4" & 1/2" & 1/4"	347.50	cu m	1,127.32	391,675.50	0.00%	347.50	-	54.40	1.27%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
1.5	Gravel, 1 1/2" & 3/4" & 1/2" & 1/4"	55.00	cu m	1,222.00	66,550.00	0.00%	55.00	-	22.50	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
1.6	Gravel, 1 1/2" & 3/4" & 1/2" & 1/4"	1,303.00	sq ft	47.54	62,641.50	0.00%	1,303.00	622.25	500.30	0.00%	0.74%	0.74%	0.00%	28.47%	23.40%	-	30.241%	24.400%
	Subtotal				1,734,296.60	0.01%												
CONCRETE WORKS (Including Form & Re-bar)																		
2.1	Concrete Slabs (2,500 psi) Sub on FF	130.00	sq ft	-	-	-	-	-	130.00	-	-	-	-	-	-	-	-	-
2.2	Concrete Slabs (2,500 psi) Forming	80.00	sq ft	18,188.44	1,455,075.52	0.00%	80.00	-	80.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
2.3	Concrete Slabs (2,500 psi) Forming	130.00	sq ft	18,188.44	2,364,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
2.4	Concrete Slabs (2,500 psi) Forming	130.00	sq ft	18,188.44	2,364,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
2.5	Concrete Slabs (2,500 psi) Forming	130.00	sq ft	18,188.44	2,364,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
2.6	Concrete Slabs (2,500 psi) Forming	130.00	sq ft	18,188.44	2,364,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
2.7	Concrete Slabs (2,500 psi) Forming	130.00	sq ft	18,188.44	2,364,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
2.8	Concrete Slabs (2,500 psi) Forming	130.00	sq ft	18,188.44	2,364,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
	Subtotal	610.00	sq ft	683,944.00	6,839,440.00	0.00%												
MASONRY WORKS (Including re-bars & scaffolding)																		
3.1	20mm MASONRY CURB WALL	1,303.00	sq m	700.78	1,112,540.00	0.01%	1,303.00	13.00	1,291.00	0.00%	0.00%	0.00%	28.00%	0.00%	0.00%	1.7600%	0.00%	1.7600%
	Subtotal				1,112,540.00	0.01%												
ROOFING SYSTEM																		
4.1	Roofing Slab (Including Scaffolding)	130.00	sq ft	17,188.44	2,234,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
4.1.1	Full Truss 1	130.00	sq ft	17,188.44	2,234,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
4.1.2	Full Truss 2	130.00	sq ft	17,188.44	2,234,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
4.1.3	Full Truss 3	130.00	sq ft	17,188.44	2,234,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
4.1.4	Full Truss 4	130.00	sq ft	17,188.44	2,234,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
4.1.5	Full Truss 5	130.00	sq ft	17,188.44	2,234,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
4.1.6	Full Truss 6	130.00	sq ft	17,188.44	2,234,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
4.1.7	Full Truss 7	130.00	sq ft	17,188.44	2,234,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
4.1.8	Full Truss 8	130.00	sq ft	17,188.44	2,234,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
4.1.9	Full Truss 9	130.00	sq ft	17,188.44	2,234,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
4.1.10	Full Truss 10	130.00	sq ft	17,188.44	2,234,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
4.1.11	Full Truss 11	130.00	sq ft	17,188.44	2,234,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
4.1.12	Full Truss 12	130.00	sq ft	17,188.44	2,234,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
4.1.13	Full Truss 13	130.00	sq ft	17,188.44	2,234,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
4.1.14	Full Truss 14	130.00	sq ft	17,188.44	2,234,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
4.1.15	Full Truss 15	130.00	sq ft	17,188.44	2,234,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
4.1.16	Full Truss 16	130.00	sq ft	17,188.44	2,234,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
4.1.17	Full Truss 17	130.00	sq ft	17,188.44	2,234,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
4.1.18	Full Truss 18	130.00	sq ft	17,188.44	2,234,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
4.1.19	Full Truss 19	130.00	sq ft	17,188.44	2,234,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
4.1.20	Full Truss 20	130.00	sq ft	17,188.44	2,234,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
4.1.21	Full Truss 21	130.00	sq ft	17,188.44	2,234,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
4.1.22	Full Truss 22	130.00	sq ft	17,188.44	2,234,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
4.1.23	Full Truss 23	130.00	sq ft	17,188.44	2,234,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
4.1.24	Full Truss 24	130.00	sq ft	17,188.44	2,234,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
4.1.25	Full Truss 25	130.00	sq ft	17,188.44	2,234,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
4.1.26	Full Truss 26	130.00	sq ft	17,188.44	2,234,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
4.1.27	Full Truss 27	130.00	sq ft	17,188.44	2,234,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
4.1.28	Full Truss 28	130.00	sq ft	17,188.44	2,234,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
4.1.29	Full Truss 29	130.00	sq ft	17,188.44	2,234,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
4.1.30	Full Truss 30	130.00	sq ft	17,188.44	2,234,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
4.1.31	Full Truss 31	130.00	sq ft	17,188.44	2,234,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
4.1.32	Full Truss 32	130.00	sq ft	17,188.44	2,234,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
4.1.33	Full Truss 33	130.00	sq ft	17,188.44	2,234,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
4.1.34	Full Truss 34	130.00	sq ft	17,188.44	2,234,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
4.1.35	Full Truss 35	130.00	sq ft	17,188.44	2,234,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
4.1.36	Full Truss 36	130.00	sq ft	17,188.44	2,234,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
4.1.37	Full Truss 37	130.00	sq ft	17,188.44	2,234,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
4.1.38	Full Truss 38	130.00	sq ft	17,188.44	2,234,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
4.1.39	Full Truss 39	130.00	sq ft	17,188.44	2,234,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
4.1.40	Full Truss 40	130.00	sq ft	17,188.44	2,234,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
4.1.41	Full Truss 41	130.00	sq ft	17,188.44	2,234,597.76	0.00%	130.00	-	130.00	0.00%	0.00%	0.00%	130,000%	0.00%	130,000%	100.00%	130,000%	100.00%
4.1.42	Full Truss 42	130.00	sq ft	17,188														



S/L NO.	DESCRIPTION	QTY.	UOM	Unit Cost	Total Amount	W. %	Total Job %			Total Approved %			Total Job Approved %			Total Cost		
							Previous Billing	This Billing	To Date	Previous Billing	This Billing	To Date	Previous Billing	This Billing	To Date	Previous Billing	This Billing	To Date
8.1	Concrete Surface (Interior & Exterior)	2,400.00	sqm.	70.75	169,800.00	0.68%	-	861.31	861.31	0.00%	1.00%	0.00%	1.00%	40.00%	40.00%	-	87,981.15	87,981.15
8.2	Ceiling Surface, false board (interior)	1,815.00	sqm.	80.24	145,691.07	0.76%	-	908.20	908.20	0.00%	1.00%	0.00%	1.00%	51.00%	51.00%	-	72,535.06	72,535.06
8.3	Door & Jamb Surfaces	25.00	sqm.	388.35	9,708.75	0.05%	-	-	-	0.00%	1.00%	0.00%	1.00%	0.00%	0.00%	-	-	-
		4,240.00			325,199.82	1.49%												
	subtotal				325,199.82	1.49%												
PLUMBING WORKS																		
9.1	Rough installation (Sanitary Waste Lines, includes Fittings)	184.00	lm	250.20	46,036.80	0.20%	-	40.20	40.20	0.00%	1.00%	0.00%	1.00%	20.00%	20.00%	-	10,008.01	10,008.01
9.2	Cold Water Lines (includes Fittings)	36.00	lm	484.53	17,443.08	0.08%	-	36.00	36.00	0.00%	1.00%	0.00%	1.00%	100.00%	100.00%	-	14,963.11	14,963.11
9.3	Hot Water Pipes & Fittings	155.00	lm	607.42	94,149.10	0.41%	-	-	-	0.00%	1.00%	0.00%	1.00%	0.00%	0.00%	-	-	-
9.4	Plumbing																	
9.4.1	Flush Water Closet (B/S)	8.00	sets	3,640.75	29,126.00	0.15%	-	-	-	0.00%	1.00%	0.00%	1.00%	0.00%	0.00%	-	-	-
9.4.2	Lavatory w/ Fridge	8.00	sets	3,285.25	26,282.00	0.10%	-	-	-	0.00%	1.00%	0.00%	1.00%	0.00%	0.00%	-	-	-
9.4.3	4" x 4" Stainless Floor Drain	7.00	sets	277.39	1,941.73	0.01%	-	-	-	0.00%	1.00%	0.00%	1.00%	0.00%	0.00%	-	-	-
9.4.4	Sink Holder	2.00	sets	485.44	970.87	0.01%	-	-	-	0.00%	1.00%	0.00%	1.00%	0.00%	0.00%	-	-	-
9.4.5	Basin Holder	10.00	sets	281.25	2,812.50	0.02%	-	-	-	0.00%	1.00%	0.00%	1.00%	0.00%	0.00%	-	-	-
9.4.6	1/2" dia. Faucet (B/S)	28.00	sets	173.87	4,868.37	0.03%	-	-	-	0.00%	1.00%	0.00%	1.00%	0.00%	0.00%	-	-	-
9.5	Septic Tank (Includes Concrete, Relays & C&B Paving)	1.00	sets	72,815.53	72,815.53	0.35%	-	-	-	0.00%	1.00%	0.00%	1.00%	0.00%	0.00%	-	-	-
9.6	Grasses Trap	1.00	sets	4,854.27	4,854.27	0.02%	-	-	-	0.00%	1.00%	0.00%	1.00%	0.00%	0.00%	-	-	-
9.7	Downspout (Storm Drain)	75.00	sets	1,551.40	116,355.00	0.51%	-	-	-	0.00%	1.00%	0.00%	1.00%	0.00%	0.00%	-	-	-
9.8	Treatment Tank (Includes Concrete, Relays & C&B Paving)	1.00	sets	48,543.69	48,543.69	0.23%	-	-	-	0.00%	1.00%	0.00%	1.00%	0.00%	0.00%	-	-	-
9.9	Overhead Water Tank (Includes Concrete, Relays & C&B Paving)	1.00	sets	11,841.17	11,841.17	0.06%	-	-	-	0.00%	1.00%	0.00%	1.00%	0.00%	0.00%	-	-	-
9.10	Drain Basin	82.00	sets	453.07	37,151.74	0.17%	-	-	-	0.00%	1.00%	0.00%	1.00%	0.00%	0.00%	-	-	-
	subtotal				601,941.74	3.15%												
ELECTRICAL WORKS																		
10.1	Rough-in	1.00	lot	261,262.14	261,262.14	1.52%	0.00	0.00	0.00	1.00%	0.00%	1.00%	60.00%	20.00%	20.00%	18,000.00	72,815.53	261,262.14
10.2	Electrical Devices																	
10.2.1	1-Gang Single Pole Switch, recessed mounted, National or Approved Equal	12.00	sets	249.76	2,997.12	0.00%	-	-	-	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-
10.2.2	Two-Gang Single Pole Switch, recessed mounted, National or Approved Equal	58.00	sets	261.08	15,154.64	0.08%	-	-	-	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-
10.2.3	Three-Gang Single Pole Switch, recessed mounted, National or Approved Equal	5.00	sets	388.35	1,941.75	0.01%	-	-	-	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-
10.2.4	Double Convenience Outlet, 10A, 230V Grounding Type, National or approved Equal	18.00	sets	255.89	4,606.02	0.02%	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-



B/L NO.	DESCRIPTION	QTY.	Unit	Unit Cost	Total Amount	M. %	Total Quantity			Total Amount			Total Amount			Total Cost		
							Previous	This	To Date	Previous	To Date	To Date	Previous	To Date	To Date	Previous	To Date	To Date
10.2.5	Double Gang Commence Outlet, recessed mounted, (internal or equivalent)	111.00	set	131.20	14,563.11	0.08%	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-
10.2.6	20A 2P, 240V, AF-Conditioning Outlet, recessed mounted, Grounding Type, National or approved equal	1.00	set	485.44	485.44	0.00%	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-
10.3	PANEL BOARDS																	
10.3.1	LPA PANEL, NEMA1 Main 80AT, 150AF 2P, 240V bolt-on type Branches: 6-150AT, 1-30AT, 1 spare 2P, bolt-on type, Cutler-Hammer GE, Kohler Shilin, brand or approved equal	1.00	set	8,703.74	8,703.74	0.05%	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-
10.3.2	LPA PANEL, NEMA1 Main 80AT, 150AF 2P, 240V bolt-on type Branches: 6-150AT, 1-30AT, 1 spare 2P, bolt-on type, Cutler-Hammer GE, Kohler Shilin, brand or approved equal	2.00	set	7,201.55	14,403.11	0.03%	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-
10.3.3	LPA PANEL, NEMA1 Main 80AT, 150AF 2P, 240V bolt-on type Branches: 6-150AT, 1-30AT, 1 spare 2P, bolt-on type, Cutler-Hammer GE, Kohler Shilin, brand or approved equal	2.00	set	7,036.54	14,073.07	0.01%	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-
10.3.4	LPA PANEL, NEMA1 Main 80AT, 150AF 2P, 240V bolt-on type Branches: 6-150AT, 1-30AT, 1 spare 2P, bolt-on type, Cutler-Hammer GE, Kohler Shilin, brand or approved equal	2.00	set	4,354.37	8,708.74	0.05%	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-
10.3.5	LPA PANEL, NEMA1 Main 80AT, 150AF 2P, 240V bolt-on type Branches: 6-150AT, 1-30AT, 1 spare 2P, bolt-on type, Cutler-Hammer GE, Kohler Shilin, brand or approved equal	1.00	set	7,788.99	7,788.99	0.04%	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-
10.4	Lighting Accessories																	
10.4.1	1-20W surface mounted hook-type Fluorescent fixture, 200v 60Hz, with rapid start high P.F. flow lamp, Philips or approved equal	28.00	set	422.12	8,708.74	0.06%	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-
10.4.2	4W Downlight, Recessed Mounted Aluminum Frame with 12w CFL, Philips or approved equal	141.00	set	447.57	63,105.60	0.33%	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-
10.5	Fire Alarm Control with 4.5 kg fire extinguisher	5.00	set	12,135.90	60,679.50	0.33%	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-	-	-
	Subtotal				60,679.50	0.78%												



BILL NO.	DESCRIPTION	QTY.	UOM	Unit Cost	Total Amount	WT %	Total Work %			Total Accomplishment %			Total Non-Accomplishment %			Total Cost		
							Previous Month	This Month	To Date	Previous	This Month	To Date	Previous	This Month	To Date	Previous	This Month	To Date
OTHER WORKS																		
11.1	FISH TABLE (including hardware and re-bar)	10.20	cu ft	15,534.26	201,350.00	1.05%				0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
11.2	Grounds Floor Railing (Ramp)	4.00	sets	15,203.58	60,814.32	0.31%				0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
11.3	BR. CONVEY RAILING																	
11.3.1	R1 Railing 1	27.80	lin.	2,435.58	67,681.16	0.35%	26.81		28.51	0.30%	0.30%	0.30%	0.00%	0.00%	0.00%	64,510.28		64,510.28
11.3.2	R2 Railing 2	35.20	lin.	2,435.58	85,766.71	0.44%	31.54		31.54	0.41%	0.30%	0.41%	0.00%	0.00%	0.00%	75,511.12		75,511.12
11.3.3	R3 Railing 3	16.60	lin.	1,704.55	28,128.31	0.15%	15.77		15.77	0.14%	0.30%	0.14%	0.00%	0.00%	0.00%	27,505.90		27,505.90
11.3.4	R4 Railing	4.00	lin.	1,670.32	7,786.09	0.04%	4.47		4.47	0.03%	0.00%	0.03%	0.00%	0.00%	0.00%	7,350.63		7,350.63
11.4	Minor																	
11.4.1	Minor (1215 x 600mm x 5mm)	2.00	units	910.85	1,841.70	0.01%				0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
11.4.2	Minor (75 x 100mm x 5mm)	2.00	units	465.44	912.87	0.01%				0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
11.5	Canopy																	
11.5.1	Canopy1	8.00	pcs	10,315.53	82,524.27	0.43%	7.30	0.30	5.00	0.10%	0.10%	0.10%	0.00%	0.00%	0.00%	79,608.75	30,915.52	30,915.52
11.5.2	Canopy2	8.00	pcs	10,517.90	84,143.20	0.43%	7.90	0.30	4.00	0.08%	0.08%	0.08%	0.00%	0.00%	0.00%	81,135.20	30,915.52	30,915.52
11.5.3	Canopy3	4.00	pcs	12,135.92	48,543.68	0.25%	3.30	0.30	2.50	0.06%	0.06%	0.06%	0.00%	0.00%	0.00%	46,043.18	30,915.52	30,915.52
11.5.4	Shed Railing	2.00	units	12,135.92	24,271.84	0.13%				0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
11.6	Stop	125.00	lin	932.64	116,580.80	0.61%		125.00	116.00	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		116,580.80	116,580.80
			subtotal		800,649.67	4.18%												
CONTRACT AMOUNT					12,138,819.81	100.00%				76.14%	4.40%	81.53%				14,868,235.00	831,857.14	16,700,092.14

Prepared By:

Recommended By:

APPROVED:

Checked and Reviewed by:

Confirmed:

ENGR. RHEA S. LOZADA
Municipal EngineerALLAN R. PANDE
PU ManagerROY HIGINO G. SARMEN
Municipal MayorENGR. RICHARD D. CRUZ
NSU SSP EngineerENGR. ERIC BARCELONA
NSU SSP EngineerENGR. ROSELIO P. SUMANGAT
NSU SSP - Project Manager

Date: May 31, 2010

Date:

Date:

Date:

Date:

Date:

Proposed Accomplishment as of May 31, 2010: 81.53%

Actual Accomplishment as of May 31, 2010: 81.53%

Variance: (+) 0.00%

Notes: 1. Actual accomplishment is more than 81.53% if the variance will be included in the computed accomplishment

2. Variance already accomplished related but not reflected in the monthly accomplishment report since the Variation Order #1 was not yet approved.

Description Quantity Unit Unit Cost Total Amount

Change order:				
Security Fencing and Construction	380.00	sqm.	1,187.35	451,200.00
Columns	11.47	sqm.	27,850.67	319,276.72
Second Floor Beam	1.82	sqm.	25,773.22	46,908.36
100mm Insul C-10 Wall	341.20	sqm.	122.70	41,890.00
Full Ties 5	2	sqm.	57,179.71	114,359.42
Half Ties 1A	2	sqm.	25,555.25	51,110.50
Half Ties 2A	2	sqm.	25,555.25	51,110.50
Half Ties 3A	2	sqm.	25,555.25	51,110.50

Extra work:



Republic of the Philippines
PROVINCE OF SURIGAO DEL SUR
MUNICIPALITY OF LANGA

MUNICIPAL DEVELOPMENT FUND OFFICE (MDFO)
MINDANAO BASIC URBAN SERVICES SECTOR PROJECT (MBUSSP)

Date Submitted: Month of May Day: 31 Year: 2010

Date Covered: From May 1, 2010 To May 31, 2010
(mm/dd/yyyy) (mm/dd/yyyy)

Municipality of Langa
Contract Title: Construction of Langa Public Market

Original Contract Amount: 15,136,879.05

MONTHLY PROGRESS PAYMENT REPORT NO: _____

Total Approved Value of
Variation Order: _____
Revised Contract Amount: _____
Advance Payment: 2,870,851.85
Completed % Done: 15,634,067.14
Percent Completed: 81.18%

CONTRACTOR: Allied Trade Resources MPC

SUMMARY OF PAYMENTS

Value of Work Completed to Date-Old Items	
1. Total Value of Work Completed to Date	<u>15,554,687.14</u>
2. Previous Value of Work Completed (from Previous M.P.R.)	<u>14,862,205.02</u>
3. Work Completed this Period (#1-42)	<u>692,482.14</u>
4. Less: Deductions (extended)	<u>212,963.03</u>
a) 10% Retention (10% of Total of 43)	<u>85,185.21</u>
b) 2% Withholding Tax (2% of 100/112 of 43)	<u>Tax Exempt</u>
c) 8% VAT (5% of 100/112 of 43)	<u>Tax Exempt</u>
d) Recoupment of Advance Payment (15 % of 4.3)	<u>127,777.82</u>
5. Subtotal (#3-4d)	<u>458,688.10</u>
6. Net Amount Approved for Payment this Period	<u>634,688.10</u>
Schedule Progress (from Approved Work and Bill Chart)	<u>81.00%</u>
Actual Progress (%)	<u>81.18%</u>
Approval (date)	<u>81.18%</u>
Control Supply Date	<u>September 10, 2010</u>

Prepared By:

Recommended by:

APPROVED:

Checked & Reviewed by:

Conforms:

ENGR. RHEA S. LOZADA
Municipal Engineer
Date: May 31, 2010

ALLAN R. PANDI
MPCO/PJO Manager
Date: _____

ROY HEGINO G. SARMEN
Municipal Mayor
Date: _____

ENGR. RICHARD D. CRUZ
MBUSSP Engineer
Date: _____

ENGR. ERIC I. BARCELONA
MBUSSP Engineer
Date: _____

ENGR. ROGELIO P. SUMNAGA
MBUSSP - Project Manager
Date: _____



REPORT OF DISBURSEMENT
Performance Challenge Fund (PCF)
As of _____

Amount (LGU Counterpart): _____

Less: Disbursement: _____

Balance: _____

Payee	Date of Check	Check No.	Nature/ Purpose of Payment	Amount Paid
			Total Disbursement	

Prepared by:

Certified correct:

(Chief Accountant)

Approved by:

City/Municipal Mayor

Verified and Found Correct:

(COA Resident Auditor)

Annex C2



CERTIFICATION

I hereby certify that according to the records of this office, the following is a true statement of the status of fund for the LGU counterpart under the PCF project:

Project Cost	:	XXX
LGU Counterpart	:	XXX
DILG Counterpart	:	XXX
LGU counterpart		XXX
Less: Disbursement		XXX
Balance		XXX

Payee	Nature of Payment	Date and Check No.	Amount

Total Disbursement _____

I further certify that the foregoing statement showing the actual expenditures of _____ (P _____) incurred during the period is correct.

This certification is issued pursuant to the approved Performance Challenge Fund (PCF) Mechanics of Implementation.

City/Municipal Accountant

Approved by:

City/Municipal Mayor



PCF Report Form No. 01

Physical Accomplishment Report
For the Quarter Ending _____

LGU Name : _____

Project Title	Project Description	Total Project Cost		Date of PCF Released to LGU	Status of Implementation		
		LGU Counterpart	Amt. Of PCF Received		% of Fund Utilization	% of Physical Progress	Remarks



PCF Report Form No. 02

Physical Accomplishment Report

For the Quarter Ending _____

Region: _____

Name of LGU Recipient	Project Title	Project Description	Total Project Cost		Date of PCF Released to LGU	Status of Implementation		
			LGU Counterpart	Amt. Of PCF Received		% of Fund Utilization	% of Physical Progress	Remarks

**Final Physical Accomplishment Report**

As of _____

Region:

Name of LGU Recipient	Project Title	Project Description	Total Project Cost		Date of PCF Released to LGU	Status of Implementation		
			LGU Counterpart	Amt. Of PCF Received		% of Fund Utilization	% of Physical Progress	Remarks

Annex D4



PCF Report Form No. 04

PERFORMANCE CHALLENGE FUND
CONSOLIDATE FINAL FINANCIAL AND PHYSICAL ACCOMPLISHMENT REPORT
As of _____, 2011

REGION: _

LGU Name	Title of Project	Date of Project Start	Status of Implementation				Remarks
			Date of Project Completed	Date of Project Acceptance	Total Amount Disbursed	% of Project Cost	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)