



DSWD

Department of Social Welfare and Development



BAGONG PILIPINAS

Doc. Control No. DSWD-FMS-SOP-002

Rev. No. 04 Page 1 of 8

Effective Date 16 FEB 2024

PREPARATION OF ANNUAL BUDGET PROPOSALS

Document History

Rev. No.	DRRRF No.	Description of Change	Originator	Effectivity Date
00	DRRRF-2020-015	Initial Release	FMS	January 11, 2021
01	DRRRF-2021-154	Inclusion of FO Intervention on select processes	FMS	October 29, 2021
02	DRRRF-2022-319	1. Inclusion of DSWD QMS Certification Mark in Compliance with ISO 9001:2015 Standards 2. Inclusion of Total Turnaround Time	FMS	September 12, 2022
03	DRRRF-2022- 14	Incorporate the findings of the Internal Quality Audit during the 2 nd semester Internal Quality Audit	FMS	February 17, 2023
04	DRRRF-2024- 002	Description of Changes: 1. Amendment of the name from Finance and Management Service to Financial Management Service 2. Conformance to the new SOP template 3. Enhance the procedure details in the flowchart	FMS	16 FEB 2024

REVIEW AND APPROVAL

	PRINTED NAME	POSITION
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 DSWD Quality Management Representative

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DSWD

Department of Social Welfare and Development

Doc. Control No.

DSWD-FMS-SOP-002

Rev. No.

04

Page 2 of 8

Effective Date

16 FEB 2024

PREPARATION OF ANNUAL BUDGET PROPOSALS

DSWD Field Offices

Document Controller (DC) for your updated copy.

1.0 Purpose

To prepare the Department's budget proposal and allocate resources in conformity with both policies and fiscal targets.

2.0 Scope

This covers the preparation of agency budget proposals for the year.

3.0 Associated Reference

National Budget Memorandum Circular (National Budget Call)

4.0 Definition of Terms

TERM	DEFINITION
Allotment	Allotment is an authorization issued by the DBM to an implementing agency to incur obligations for specified amounts contained in a legislative appropriation.
Appropriation	Appropriation refers to an authorization made by law or legislative enactment directing payment out of government funds under specified conditions or for specific purposes.
Budget Call	Contains budget parameters earlier set by the Development Budget Coordination Committee (DBCC) as well as policy guidelines and procedures to aid government agencies in the preparation and submission of their budget proposals.
Civil Society Organization (CSO)	Is any non-profit, voluntary citizens' group which is organized on a local, national or international level.
General Appropriations Act (GAA)	The GAA is the legislative authorization that contains the new appropriations in terms of specific amounts for salaries, wages and other



Department of Social Welfare and Development

Doc. Control No.

DSWD-FMS-SOP-002

Rev. No.

04

Page 3 of 8

Effective Date

16 FEB 2024

PREPARATION OF ANNUAL BUDGET PROPOSALS

	personnel benefits; maintenance and other operating expenses; and capital outlays authorized to be spent for the implementation of various programs/projects and activities of all departments, bureaus and offices of the government for a given year.
National Expenditure Program (NEP)	The National Expenditure Program (NEP) is submitted to assist Congress in the review and deliberation of the proposed national budget for the legislation of the annual appropriations measures for the next fiscal year. It contains the details of the government's proposed programs.
Online Submission of Budget Proposals (OSBP)	The OSBP is an automated system which allows online encoding and submission of agency budget proposals. This system intends to reduce the number of reports being submitted by agencies.
Regional Development Council (RDC)	The highest planning and policy-making body in the region. It is the primary institution that coordinates and sets the direction of all economic and social development efforts in the region.

5.0 Responsibility

Planning Unit of the Budget Division of Financial Management Service

6.0 Definition and Forms

Budget Preparation (BP) Forms – Prescribed forms by the DBM in formulating agency budget proposals.

DBM - evaluated Budget Execution Documents (BEDs) – Annual documents required at the onset of the budget execution phase, which contain the agencies' targets and plans, physical as well as financial plans, for the current year, prepared and submitted by agencies through the Unified Reporting System (URS). (i.e. BED No.1, BED No.2, BED No.3)

Online Submission of Budget Proposals (OSBP) – An automated system which allows online encoding and submission of agency budget proposals.



Department of Social Welfare and Development

Doc. Control No.	DSWD-FMS-SOP-002	
Rev. No.	04	Page 4 of 8
Effective Date	16 FEB 2024	

PREPARATION OF ANNUAL BUDGET PROPOSALS

7.0 Procedure

FLOWCHART	PROCEDURE DETAILS	RESPONSIBLE PERSON	INTERFACE DOCUMENT	TURN AROUND TIME
<pre> graph TD Start([START]) --> Step1[Receive the National Budget Call] </pre>	<p>Upon receipt of the invitation of the National Budget Call thru email from DBM, the FMS together with PDPB shall attend the Budget Call on the date specified in the invitation to be conducted by DBM.</p>	<p>AO IV and AO V of the Planning unit, FMS-BD Central office</p>	<p>National Budget Call (for next budget year)</p>	<p>Receipt of Budget Call: 5 minutes Conference: 4 hours</p>
<pre> graph TD Step1 --> Step2[Draft, Approve and Issue memorandum to all CO-OBS and FOs for preparation of annual budget] </pre>	<p>The FMS-BD in coordination with PDPB shall draft a memorandum to CO-OBS and FOs Designated Budget Officers on the details of annual budget proposal preparation based on the set guidelines and existing policies.</p> <p>Once approved, the FMS-BD shall issue a memorandum to all CO-OBS and FOs Designated Budget Officers.</p>	<p>AO V of the Planning unit, FMS-BD Central office</p>	<p>Memorandum</p>	<p>1 hour</p>
<pre> graph TD Step2 --> Step3[Issue a memorandum to all FO-Division/Units for preparation of annual budget] </pre>	<p>The FO designated Budget Officers shall issue a separate memorandum to all FO-Division/Units involved in budget preparation.</p>	<p>Designated Budget Officers of FOs</p>	<p>Memorandum</p>	<p>1 hour</p>



PREPARATION OF ANNUAL BUDGET PROPOSALS

<p>Prepare the Budget Proposal</p>	<p>The concerned CO-OBS and Designated Budget Officers of FOs shall prepare their respective budget proposals.</p> <p><i>CO-OBS and FOs Budget Officers shall review and consolidate the submitted budget proposals from various Divisions.</i></p> <p>a. <i>For CO-OBS, the Planning and Budget officers shall present the budget proposal to the FO counterparts for consultation.</i></p> <p><i>a.1 After the review and enhancement of the Budget proposal, the Planning and Budget officers shall forward to the Head of OBS.</i></p> <p><i>a.2 The Head of OBS shall endorse the Budget proposal to the Cluster Head for approval prior to its submission to FMS.</i></p> <p>b. <i>For FO, the Planning and Budget Officer shall conduct CSO Consultation for review and enhancement</i></p> <p><i>b.1 Planning and Budget officer shall forward the proposed budget to the Regional Director for approval.</i></p>	<p>CO-OBS Process Owners, Planning and Budget Officers; Designated Planning and Budget Officers of FOs</p> <p>CO-OBS and FO Planning and Budget Officers; Program/ Activity/ Project (PAP) Implementers</p>	<p>Budget Proposal</p>	<p>60 days</p>
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PREPARATION OF ANNUAL BUDGET PROPOSALS

	<p><i>b.2. The Regional Director shall endorse the approved proposed budget to RDC for their resolution.</i></p> <p><i>b.3 Planning and Budget Officer shall make necessary enhancement, if there is any, based on the recommendation of RDC.</i></p> <p>OBS and FOs shall forward the final proposed budget to FMS-BD.</p>			
<pre> graph TD A[Review and Consolidate the submitted Budget Proposal from CO-OBS and FOs] --> B{Correct?} B -- Yes --> C[] B -- No --> A </pre>	<p>The FMS-BD shall review and consolidate the submitted budget proposals from CO-OBS and FOs:</p> <ul style="list-style-type: none"> • Check the amount of submitted proposals vs. TIER 1 level provided by DBM • The detailed breakdown of object of expenditure must be equal to the total TIER 1 level provided by DBM <p>If the submitted Budget Proposal is found to have any discrepancy, the FMS-BD shall coordinate with the concerned CO-OBS and FO's for appropriate action.</p>	<p>AO IV of the Planning unit, FMS-BD Central office</p>	<p>Accomplished Budget Preparation Form mandated under National Budget</p>	<p>30 days</p>



Department of Social Welfare and Development

Doc. Control No.

DSWD-FMS-SOP-002

Rev. No.

04

Page 7 of 8

Effective Date

16 FEB 2024

PREPARATION OF ANNUAL BUDGET PROPOSALS

<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;">Encode the consolidated Budget Proposals</div>	The FMS-BD shall input/encode the consolidated Budget Proposal to the prescribed DBM forms using manual forms and OSBP.	AA II, AO II, AO IV of the Planning unit, FMS-BD Central office	Encoded Budget Proposal on DBM forms and OSBP	15 days
<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;">Endorse the Proposed Budget to EXECOM and Secretary</div>	The FMS-BD shall forward the proposed budget to the EXECOM and Secretary for approval and Secretary for approval.	AO V of the Planning unit, FMS-BD Central office	Budget Proposal	10 days
<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;">Submit the Budget Proposal to DBM</div>	The FMS-BD shall: a. prepare the letter for transmittal to DBM b. the AA II (designated Liaison officer) shall submit the approved/signed DSWD proposed Budget Proposal to DBM	AO II/AO IV/AO V of the Planning unit, FMS-BD Central office AA II (designated Liaison officer)	Approved DSWD Budget Proposal Transmittal letter	1 day
<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;">Coordinate to DBM on the Budget Deliberation schedule</div>	The FMS-BD shall coordinate with DBM on the schedule of budget deliberation.	AO V of the Planning unit, BD-FMS Central office	Budget Deliberation Schedule	1 day
<div style="border: 1px solid black; padding: 5px; width: fit-content; margin: 0 auto;">Conduct of Budget Deliberation dry-run</div>	The FMS in coordination with PDPB shall conduct dry-run for the budget deliberation (to be attended by CO-OBS and FOs representative, if necessary)	Planning unit, FMS-BD and PDPB	Reviewed Budget Proposal	4 hours (depends on the directives of Secretary)



PREPARATION OF ANNUAL BUDGET PROPOSALS

	<p>The EXECOM, Budget Officer and Technical Staff shall attend the scheduled technical budget hearing/ deliberation to justify the proposed budget (to be attended by CO-OBS and FOs representative, if necessary)</p> <p><i>DBM shall conduct review of the budget for approval of NEP</i></p>	<p>Planning unit, FMS-BD and PDPB</p>	<p>Justified Budget Proposal</p>	<p>8 hours</p>
	<p>FMS-BD shall acknowledge the recommendation of DBM based on the presented DSWD Budget Proposal during the budget hearing and prepare a response for an appeal/ reconsideration of the budget (if necessary).</p> <p>a. <i>For review and endorsement of the Head of Office to Cluster Head</i></p> <p>b. <i>For review and recommending approval of the Head of Cluster to Secretary</i></p> <p>c. <i>For approval of the Department Secretary</i></p>	<p>AO V of the Planning unit and Chief of FMS-BD Central office</p> <p>Head of Office</p> <p>Cluster Head</p> <p>Secretary</p>	<p>Counter response to DBM</p>	<p>1 hour</p> <p>1 day</p> <p>1 day</p> <p>1 day</p>
			<p>Total Turnaround Time:</p>	<p>120 days, 19 hours and 5 minutes</p>