



**OPERATIONAL GUIDELINES ON THE IMPLEMENTATION OF 2017
PERFORMANCE CHALLENGE FUND (PCF)**

**Memorandum Circular No. 2017-160
November 29, 2017**

1. Background

Established in 2010, the Performance Challenge Fund (PCF) is a performance-based reform program of the DILG that seeks to rationalize inter-governmental transfers of the national government to Local Government Units (LGUs) and encourage the convergence of local development initiatives with national development agenda and priorities. It is a **grant or cash award** given to eligible LGUs under the Local Governance Performance Management Program of the Department to support high-impact local development projects identified as a priority by the LGU.

For 2017, the PCF shall be awarded to LGUs that passed the Seal of Good Local Governance (SGLG): Pagkilala sa Katapatan at Kahusayan ng Pamahalaang Lokal. The SGLG is an award program encouraging and challenging all provinces, cities and municipalities to improve on their performance and service delivery.

2. Purpose

This Memorandum Circular is issued to prescribe the general policies and procedures in the implementation of the PCF program. It will serve as guide to the 1.) PCF LGU beneficiaries to effectively and efficiently implement their PCF-supported projects and 2.) DILG on the management of PCF which includes release of financial subsidy/grant, monitoring and reporting of the implementation of PCF program.

3. Scope/Coverage

All DILG Regional/Provincial/City Directors, Cluster Leaders, CLGOOs/MLGOOs, ARMM Regional Secretary, ARMM Governor, Governors and Mayors of PCF Recipient LGUs and others concerned.

4. Guiding Principles

- Support the Philippine Development Plan (PDP) 2017-2022 as the first medium-term plan to be anchored on the 0-10 point Socioeconomic Agenda and which is geared towards the Ambisyon Natin 2040 that articulates the Filipino people's collective vision of a MATATAG, MAGINHAWA, AT PANATAG NA BUHAY PARA SA LAHAT.
- Support the government's advocacy of improving overall LGU performance in governance and delivery of basic services;
- Expand opportunities for performing LGUs to accelerate local inclusive development, giving constituencies better access to education, health care, and tourism development among others;

- Sustain the provision of incentives to LGUs commensurate to their performance level;
- Foster and sustain cooperation among government stakeholders, development partners, NGOs, and CSOs to influence greater LGU performance;
- Enhance the LGU's program/project conceptualization, implementation, monitoring and evaluation;
- Project processes shall include gender-sensitivity, disability-inclusiveness, human development index, and other thematic concerns that promote the welfare of the most vulnerable sectors in the community.

5. Policy Content and Guidelines

5.1. Eligibility Requirements

5.1.1. Eligible LGU

Local Government Units who passed the **2017 Seal of Good Local Governance (SGLG)** shall be eligible to avail the PCF.

5.1.2. Eligible Projects

5.1.2.1. The PCF subsidy shall be used to finance local development projects supportive of the following:

- **Attainment of Sustainable Development Goals:** (e.g. school buildings, rural health units/health centres, birthing or lying-in facilities, water and sanitation, housing and settlements, Rehabilitation Centre, Patrol Cars and Public Safety and Security Command Centre Equipment, etc.)
- **Stimulating Local Economic Development and Promotion of Ease of Doing Business** (e.g. core local roads and bridges, access roads, irrigation systems, post-harvest facilities, cold storage facilities, ports and wharves and other economic structures and growth enhancement projects like tourism facilities, market, slaughter house, automation of permits and licenses, etc.)
- **Preparing for Disaster and Adapting to Climate Change** (e.g. flood control, storm drainage, dikes, seawall and related flood protection measures and slope protection, evacuation centres, rainwater collection facility, early warning system/devices and rescue equipment, etc.)
- **Promoting Environmental Protection** (e.g. purchase of solid waste management equipment, material recovery facilities, sewerage system, etc.)
- **Furthering Transparency and Accountability** (e.g. website development and equipment, etc.)

5.1.2.2. Considering the incentive/grant is a top-up to the local development funds of LGUs, identification of projects should be governed by the policies governing the use of the 20% of the Internal Revenue Allotment (IRA) for local development projects provided for in DBM-DILG Joint Memorandum Circular 2017-1 dated February 22, 2017 - Updated Guidelines on the

Appropriation and Utilization of the Twenty Percent (20%) of the Annual Internal Revenue Allotment (IRA) for Development, hence, PCF subsidy shall not be utilized for the following:

- Projects exclusively on training or capacity development;
- Financing of micro credits and loans.
- Administrative expenses such as cash gifts, bonuses, food allowance, medical assistance, uniforms, supplies, meetings, communication, water and light, petroleum products and the like;
- Salaries, wages or overtime pay;
- Travelling expenses, whether domestic or foreign;
- Registration or participation fees on training, seminars, conferences or convention;
- Construction, repair or refinishing of administrative offices; and
- Purchase of administrative office furniture, fixtures, equipment or appliances.

5.1.2.3. Projects must be implementable **within a period of one year upon receipt of the Notice to Implement (NTI)** from the DILG Regional Office

5.1.2.4. Proposed project must be a **whole single project** and not a component of other projects.

5.2. Implementation Procedures

5.2.1. Issuance of Notice of Eligibility

The DILG Regional Director, shall issue the Notice of Eligibility (**Annex A**) to qualified LGUs upon receipt of the final list of awardees of the Seal of Good Local Governance (SGLG) from the DILG-Central Office.

5.2.2. Conduct Regional Orientation

From the issuance of the notices of eligibility to the LGUs, the DILG-CO shall download funds to the Regional Offices for the conduct of the Regional PCF Orientation on this guideline for:

- Concerned LCEs, Planning Officers or Engineers and Accountants of Eligible Provinces, Cities and Municipalities;
- Concerned DILG/Provincial/City Directors;
- Concerned DILG Cluster Leaders;
- Concerned City/Municipal Local Government Operations Officers (C/MLGOOs); and
- Concerned Provincial Focal Persons.

5.2.3. Bank Certificate for 1st time PCF recipients

All 1st time PCF Recipient LGUs shall submit a Government Bank Certificate stating LGU has an existing Trust Account

5.2.4. Release of Check to LGU recipients

The DILG Regional Office shall **immediately** request to DILG Central Office for sub-allotment of fund based upon submission of the lgu recipients of the following:

- Menu/Checklist of Projects (**Annex B**) duly certified by the Local Chief Executive; and
- Certified True Copy of the Annual Investment Program (AIP) or Local Development Investment Program (LDIP)/Provincial Development Investment Program (PDIP) for FY 2017 or 2018 (page indicating the project proposal) by the Secretary to the Sanggunian.

Upon receipt copy of the sub-allotment, the DILG Regional Office will obligate and prepare payment to recipient LGU by issuing the PCF check or the List of Due and Demandable Accounts Payable – Advice to Debit Account (LDDAP-ADA).

The LGU recipient shall issue Official Receipt (OR) to the Regional Office corresponding to the amount received.

The PCF amount received **cannot be utilized** by the LGU recipient until the issuance of Notice to Implement (NTI) from the DILG Regional Office.

5.2.5. Submission of Complete Administrative Documents by the LGU

The LGUs are given 60 working days to submit all of the following documentary requirements upon receipt of the PCF check:

5.2.5.1 The Project Proposal (**Annex C**) and all its pertinent administrative requirements based on their submitted AIP/LDIP/PDIP.

The hard and digitized copy of the Project Proposal, AIP/LDIP/PDIP (page indicating the project) and high resolution picture of the proposed project site or the site of the proposed deployment/exact location in case of motor vehicle/equipment must be submitted by the LGU for uploading to the PCF website.

LGU's Project Proposal shall include the following documents:

- Certification that the project is not proposed for funding by other agencies, donor institutions, or other funders;
- Administrative/Executive Order creating the LGU PCF Project Implementation Unit/Team;
- Program of Works with Detailed Estimates and Quantity Take-off; and
- Pictures of the proposed site (in high-resolution preferably taken in two different angles).

For Infrastructure Projects

- Detailed Engineering Design (DED)
- Detailed Estimates
- Program of Work
- Bar Chart/S-curve

**All Infrastructure projects under PCF shall comply with existing laws on Accessibility, Gender Responsiveness, etc.*

For Procurement of Motor Vehicles

The project proposal of the LGU must include the following requirements for the approval of the Authority to Purchase Motor Vehicles and other requirements pursuant to Administrative Order No. 233 s. 2008 as amended by AO No. 15 s. 2011, Budget Circular (BC) No. 2010-02, National Budget Circular (NBC) No. 446 s. 1995, as amended by NBC No. 446-A s. 1998, and BC No. 2017-1 amending BC 2016-5.

- Technical Specifications of the Vehicle;
- Unit Cost of the proposed Motor Vehicle; and
- Report of the physical count of vehicle and heavy equipment

Note: If the Motor Vehicle to be purchased by the recipient LGU is under the DRRM category and which requires DBM approval, the LGU shall submit documents directly to the DBM Regional Office per DBM Department Order No. 2015-15 dated November 16, 2015 authorizing the DBM Regional Office to recommend approval of acquisition/purchase of DRRM equipment and motor vehicles under Bottom-Up Budgeting and DILG Performance Challenge Fund (PCF)

The Appraisal Review and Approval Form (ARAF) (**Annex D**) will serve as checklist in the review of the LGU's compliance to the PCF administrative requirements.

Whenever practicable, the DILG Provincial Office shall be responsible for the appraisal of the projects and the completeness of documents, while the DILG Regional Office shall be responsible for the Approval of the Project Proposal.

5.2.6. Notice to Implement

Within five (5) working days of the submission of all project documents, the Regional Office shall issue a Notice to Implement (NTI) (**Annex E**) **authorizing the start of the project implementation and fund utilization**. However, LGUs with previous PCF will not be given the NTI unless the following have been conformed:

5.2.6.1. LGUs with previous PCF (2011-2015) that have complied with all of the following requirements:

- Those that have completed the project and submitted all administrative documentary requirements and pertinent Annexes to DILG Regional Office;
- Certification, with pictures of corrected or built items that were recommended during the final inspection or monitoring by the joint DILG and LGU team of the previous PCF project/s
- Those that have submitted to DILG Regional Office the following:
 - i. Project Completion Report;
 - ii. Certificate of Completion;
 - iii. Physical Accomplishment Report with high resolution pictures; and
 - iv. Copy of the Final Report of Disbursement duly-received by COA assigned in the LGU at the time of application if the “verified correct” Report of Disbursement is not yet available.

5.2.7. Project Timeline

- 5.2.7.1. All projects must be completed **within 12 months** upon receipt of the Notice to Implement (NTI). The date of receipt of the NTI from the DILG regional office shall be considered the project’s start-up date. All LGU recipients are expected to implement the project based on the approved Project Proposal and Program of Works.

In case of change order or deviations in the implementation of their project/s, recipient LGUs shall secure DILG’s approval. Variation Order is not allowed in the last quarter of the implementation period or at its 95% nearby completion.

- 5.2.7.2. Total change of the approved project proposal is not allowed after 6 months of approval. However, total change of approved proposal shall only be allowed if the submitted project could be completed within one year upon the issuance of the NTI of the original project. A letter from the LGU shall be attached indicating the projected/target completion date of the new project proposal. All pertinent administrative requirements on submission of new project proposal must be observed.

5.3. Fund Management

5.3.1. Entry to Regional Books of Account

PCF Fund shall be taken up as an outright expense in the Book of Accounts of the Regional Offices. Upon release of the subsidy to LGUs, the entry should be **Financial Assistance** to Local Government Units.

5.3.2. Entry to LGU Books of Account

Upon receipt of the subsidy, the entry in the LGU Books of Account shall be Subsidy from Other Government Agencies or its equivalent account used by the LGUs.

Completed projects shall be recognized in the LGU Books of Account as Asset Account

5.3.3 Utilization of Unexpended Balance After Project Completion

Use of unexpended balances shall require the approval of the DILG Regional Director. Any balance can be utilized by the LGUs 30 days after project completion subject only to the conditions such as:

- Enhancement/improvement of the original project; and
- Procurement of or subsidizing a project supporting the original one.

In cases, where LGUs will not propose projects supportive of the original, said balances shall be refunded to the National Treasury following existing guidelines on the transfer of funds. Proof of such remittance/refund shall be submitted to the concerned DILG regional office, the same should be retained by the Regional Office copy furnished FMS and BLGD, if necessary.

5.4. Monitoring and Reporting

5.4.1. Progress Monitoring

The LGU shall submit a Monthly Progress Accomplishment Report not later than the 5th day of the ensuing month using the Statement of Work Accomplished (SWA) (**Annex F**) and Statement of Receipts and Disbursement (SORD) (**Annex G**) to the Regional Office thru channel.

5.4.2. Conduct of Monitoring Visits

The DILG Regional Team shall conduct quarterly monitoring visits to PCF subsidized projects or as often as necessary. The LGU shall, upon notification of the DILG monitoring team of its findings, make the necessary corrections during the project implementation.

The National PCF Management Team shall conduct spot-checks and validation.

5.4.3. Data Uploading on the PCF website

To fast track submission of PCF Project Accomplishment Reports of recipient LGUs, the Cluster Leaders (CLs) and PCF Provincial Focal Person shall upload the status of LGU project implementation on a monthly basis (not later than the 5th day of the ensuing month) directly at the PCF website.

Cluster leaders shall encode Accomplishment Reports of recipient component cities and municipalities under their coverage while the PCF Provincial Focal Person shall encode reports from the recipient province. Regional Office shall encode data for Highly Urbanized Cities or LGUs that are not under the coverage of Cluster leader or Provincial Focal Person.

Also, an electronic copy of the following must be submitted by the LGU for proper uploading of the concerned person on the PCF website:

Start-up Phase

- Project Proposal;
- AIP or LDIP or PDIP (certified true copy by the Secretary to the Sanggunian of the page indicating the project);
- Acknowledgement letter on the DILG Regional Office Notice to implement (NTI);
- Program of Works; and
- 2 High-resolution (preferably geotagged) jpeg photos of the project site taken from two angles.

Implementation Phase

- Monthly Accomplishment Reports through Statement of Work Accomplished (SWA) vis-à-vis Program of Work (POW);
- Monthly Statements of Receipts and Disbursements;
- Authority to Purchase Motor Vehicle from DBM; and
- 2 High-resolution (preferably geotagged) jpeg photos of the on-going project taken from two angles.

Project Completion Phase

- List of corrective measures conducted based on the monitoring report of the DILG monitoring team inspection;
- Final Statement of Receipts and Disbursement (SORD) duly received by Local COA;
- Project Completion Report; and
- 2 High-resolution (preferably geotagged) jpeg photos of the completed project taken from two angles.

The Regional Focal Person shall conduct regular monitoring of PCF website updating by the Cluster Leader/ PCF Provincial Focal Persons and provide technical assistance as necessary.

5.4.4. Reporting of Completed Projects

Within 10 calendar days of project completion, the LGUs shall submit the copy of their Project Completion Reports (PCRs) (**Annex H**) to the DILG Regional Office thru channels. The PCRs to be submitted by LGUs shall include the following attachments:

- Certificate of Project Completion by the Local Chief Executive;
- Copy of Statement of Receipts and Disbursement (SORD) duly received by the local COA;
- 2 High-resolution (preferably geo-tagged) jpeg photos of the completed project taken from two angles; and

For projects involving acquisition of motor vehicles the LGU shall accomplish and submit the Motor Vehicle Report Form (**Annex I**) within 15 calendar days upon delivery or completion of the procurement process.

5.4.5. Permanent Markers

A project Marker shall be installed in conspicuous place within the area for completed projects. Markers can be funded thru the PCF by indicating said marker as part of the items in the Program of Works.

- Permanent brass-plate markers (8.5 inches in width x 11 inches in height), shall be placed or displayed on a concrete stand at the beginning of said infrastructure for completed projects like access roads, bridges, and flood control. For buildings, it shall be installed near the entrance or main door. See **Annex J** for Marker's format and Concrete Stand Design
- Motor vehicle stickers shall be installed at the driver's side (left front door) of the vehicle. Please refer to **Annex K** for Sample Marker with the corresponding specifications.

Goods and Equipment shall use the same sticker design for motor vehicles and shall be installed to the visible area where the equipment is placed.

5.4.6. Reportorial Requirements under the General Appropriations Act (GAA)

Based on the GAA, the DILG shall update the following: Department of Budget and Management (DBM), House of Representatives, and the Senate with quarterly and annual reports that note financial and physical accomplishments of PCF. The same report shall also be posted on the DILG website as compliance to such reportorial requirements, hence, submission of reports by the LGU recipients thru channels and up-to-date encoding of DILG Field Officers in the PCF website is necessary.

5.4.7. CSO Participation

The Regional Office through channel must ensure the regular monitoring of the implementation of PCF funded projects with the local CSOs such as faith-based organizations and other sectoral groups on a voluntary basis. CSO participation in field monitoring and evaluation is highly encouraged.

5.5. Transparency in the Implementation of Projects

All recipient LGUs shall strictly follow the provisions of COA Circular No. 2013-004 dated January 30, 2013 entitled "Information and Publicity on Programs/Projects/Activities of Government Agencies", as amended by COA Circular No. 2016-003 dated August 16, 2016.

6. Penal Provisions

Non-compliance to the provisions of this Memorandum Circular shall be dealt with in accordance with pertinent laws, rules and regulations.

7. References

- 7.1. RA 10717 – General Appropriations Act (GAA) 2017
- 7.2. COA Circular No. 2016-003 dated August 16, 2016
- 7.3. Budget Circular No. 2016-5 dated August 22, 2016
- 7.4. RA 9184 – Government Procurement Act
- 7.5. Administrative Order No. 15 s.2011 (Amending Administrative Order No. 233 (S. 2008)
- 7.6. DBM-DILG Joint Memorandum Circular 2017-1 dated February 22, 2017
- 7.7. DBM Department Order No. 2017-1

8. Annexes

- Annex A: Notice of Eligibility
- Annex B: Checklist of Projects
- Annex C: Project Proposal Format
- Annex D: Appraisal Review and Approval Form
- Annex E: Notice to Implement
- Annex F: Statement of Work Accomplished (SWA)
- Annex G: Statement of Receipts and Disbursements (SORD)
- Annex H: Project Completion Report
- Annex I: Motor Vehicle Report
- Annex J: Brass Markers
- Annex K: Motor Vehicle and Equipment Sticker

9. Effectivity

This Memorandum Circular shall take effect immediately.

10. Approving Authority


CATALINO S. CUY
Officer-in-Charge



11. Feedback

For related queries, kindly contact the Bureau of Local Government Development (BLGD) at Tel. Nos. (02) 927-7852 or 925-0356, or e-mail address at pcf.dilg@gmail.com

Annex A: Notice of Eligibility

(DILG REGION LETTERHEAD)

Date

Hon. _____
Province/City/Mun

Dear **Hon.** _____:

We are pleased to inform you that the LGU of _____, being a Seal of Good Local Governance (SGLG) recipient for CY 2017 can now access the Performance Challenge Fund (PCF) subsidy in the amount of _____ Pesos (Php_____).

Kindly prepare your project proposal and other pertinent documents like Certified true copy of the Annual Investment Program (AIP) or Local Development Investment Program (LDIP)/Provincial Development Investment Program (PDIP) for CY 2017 or CY 2018 (page indicating the project) by the Secretary to the Sanggunian to start project implementation.

Our warmest regards.

Very truly yours,

Regional Director

ANNEX B: MENU/CHECKLIST OF PROJECTS

Region: _____ Province: _____
 PCF Recipient LGU: _____ Income Class of LGU: _____

This is to certify that the Performance Challenge Fund 2017 amounting to Php ____ M shall be utilized for the implementation of the proposed project with corresponding project cost.

Project Category	Proposed Project Title	Project Cost
<u>Attaining Sustainable Development Goals (SDGs)</u>		
<input type="checkbox"/> School building		
<input type="checkbox"/> Rural Health Unit/Health Centers		
<input type="checkbox"/> Birthing facility/Lying-In		
<input type="checkbox"/> Water and Sanitation		
<input type="checkbox"/> Housing & Settlements		
<input type="checkbox"/> Rehabilitation Centre		
<input type="checkbox"/> Patrol Car		
<input type="checkbox"/> Public Safety and Command Centre Equipment		
<input type="checkbox"/> others, specify		
<u>Stimulating Local Economic Development and Promotion of Ease of Doing Business</u>		
<input type="checkbox"/> Tourism facility		
<input type="checkbox"/> Access Road		
<input type="checkbox"/> Core local roads and Bridges		
<input type="checkbox"/> Public market		
<input type="checkbox"/> Irrigation Systems		
<input type="checkbox"/> Cold Storage Facilities		
<input type="checkbox"/> Ports and Wharves		
<input type="checkbox"/> Post-Harvest Facilities		
<input type="checkbox"/> Slaughterhouse		
<input type="checkbox"/> Automation of Permits and Licenses		
<input type="checkbox"/> others, specify		
<u>Preparing for Disaster & Adapting to Climate Change</u>		
<input type="checkbox"/> Evacuation facility		
<input type="checkbox"/> Flood Control		
<input type="checkbox"/> Early Warning System/Device		
<input type="checkbox"/> Rescue Equipment		
<input type="checkbox"/> Motor Vehicle		
<input type="checkbox"/> Slope Protection		
<input type="checkbox"/> Dikes/Sea Wall		
<input type="checkbox"/> Drainage/Canal		
<input type="checkbox"/> others, specify		
<u>Promoting Environmental Protection</u>		
<input type="checkbox"/> Material Recovery Facility		
<input type="checkbox"/> Solid waste management equipment		
<input type="checkbox"/> Sewerage System		
<input type="checkbox"/> others, specify		
<u>Furthering Transparency and Accountability</u>		
<input type="checkbox"/> website development and equipment		

Confirmed/Certified by:

 Local Chief Executive

Annex C: PCF Project Proposal Format

Performance Challenge Fund Project Proposal Format

Project Code	
(i.e., SDGs)	2
School Building	

I. Identifying Information

Project title:	
LGU: (Mun./ Province)	
(Region/Cong. District)	
Project Location:	
No. of Beneficiaries:	
Direct:	Women : _____ Men : _____
Indirect:	Women : _____ Men : _____
Type of Beneficiary: (e.g., Fisherfolk)	
LGU Income Class:	
LCE/Contact Person	

II. Project Description

A. Brief Summary of the Project (maximum of 2 paragraphs, not exceeding 3 sentences per paragraph).

A description of what the project intends to do based on the problem/s it wants to address and its immediate impacts over a period of 12 months or less.

B. Problem Statement (maximum of 2 paragraphs or 1 paragraph per problem it wants to address, substantiating the problem/s or opportunity/ies)

For example, the project wants to rehabilitate a 1-kilometer Access Road destroyed by flooding. To substantiate, state the number of families affected, their source of income, level of income, hectares planted to agricultural crops, etc., that would warrant the approval of the project.

C. Project Goal and Objectives

Since the PCF projects are implementable only over a period of 12 months or less:

- Only 1 goal should be stated; and,
- Limit the statement of objectives to 2 or 3. These objectives should be SMART (specific, measurable, attainable, realistic, and time bound).

D. Project Components / Expected Output/s / Timetable

- It is recommended that 1 objective correspond to 1 component. For example:

OBJECTIVE/S	COMPONENT
1. Construction of 2 Classroom School Building	A. Construction of 2 Classrooms
2.	B.

A Timetable or Project Implementation Plan is presented using the following table. For example:

COMPONENT	ACTIVITIES	EXPECTED OUTPUT/S	IMPLEMENTATION PERIOD	PERSON RESPONSIBLE
A. Construction of 2 Classroom School Building	1. Finalization of Surveying Work	Final Surveying Work	January 20__	Project Engineer
	2. Finalization of Engineering Plans and POWs	Final POWs	January	-do-
	3. Procurement	Contract signed	Feb	BAC
	4. Construction	2 Classrooms Constructed	April	Contractor
B				

III. Budget

Line Items	LGU Counterpart (if any)	Other Partners' Support (if any)	PCF Subsidy / Grant Amount Requested	TOTAL PROJECT COST
Total				
% share				

IV. Project Management / Monitoring and Evaluation

Name the key officers and staff (LGU Project Management Team) that will be directly accountable for the project and their tasks. Describe the monitoring and evaluation schemes to be utilized in accordance with PCF guidelines.

V. Project Sustainability

- Describe how the project will be sustained after 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 Management

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

Annex D: Appraisal Review and Approval Form

Region:	
Province:	
City/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		
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1.	Letter of Intent (LOI)		
2.	Executive Order (EO) creating PCFIU		
3.	Project Proposal		
4.	Certification that the project is included in the current Annual Investment Program (AIP) or Local Development Investment Program or Provincial Development Investment Program		
5.	Program of Work (POW) with Detailed Estimates and Quantity Take-Off		
6.	Detailed Engineering Design (DED)		

APPRAISAL		
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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)		
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1.2 Land Use/Zoning (agricultural, residential, commercial, institutional, public land)

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1.3. Right of way/ownership

1.3.1 Deed of Donation/Sale –for roads/water supply

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1.3.2 Waiver/ consent letter of land owners– for water supply system

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1.4 No non-compensable negative effects on affected indigenous peoples (IPs)/marginalized sector/s

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1.5 Peace and order situation (proposed subproject site)

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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.

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

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2.1.3 The proposed site is not located within or near a faultline.

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2.1.4 The proposed site will not disturb historical and monumental markers.

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2.1.5 Completeness of detailed engineering design (drawing plans)

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2.1.6 Priced bill of quantities and detailed estimates

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2.1.7 Construction schedule, bar chart/S-curve

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2.1.8 Technical specifications

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2.1.9 Pictures of proposed project site

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2.2 Goods/Equipment

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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		
4. Sustainability		
4.1 Unit/Personnel identified for the operation and maintenance of the facility		
4.2. Annual budget for operation and maintenance		
4.3. Proposed users' fees and charges for income-generating projects, if required		
5. Complementary Projects to		
5.1 ADM		
5.2 Salintubig		
5.3 etc (specify)		

Other Comments for consideration: _____

Reviewed and Appraised By:

PDMU Staff/RPCF Team Member

Annex E : Sample Notice to Implement

2017 December __

Hon. _____
Province/City/Municipality _____

Dear Governor/Mayor _____:

Pursuant to the completion of documents submitted to this level, you are hereby **NOTIFIED TO IMPLEMENT** the *(Project Title) at (Project Location) to be charged against the Performance Challenge Fund (PCF) in the amount of Php _____*. The maximum time for the completion of the project set forth in the agreement is twelve (12) months starting upon receipt of the date of this Notice.

Please be advised of the timely submission to this level, thru channels, of the reports and other pertinent documents using the prescribed forms as stipulated in the DILG Memorandum Circular No. _____ dated _____.

Please acknowledge receipt hereof.

Very truly yours,

Regional Director

Annex F: Statement of Work Accomplished (SWA)

**PERFORMANCE CHALLENGE FUND
MONTHLY PROGRESS ACCOMPLISHMENT REPORT
As of Date _____**

Project Title: _____
 Prov/City/Mun.: _____
 PCF Year: _____
 PCF Amount: _____
 Project Total Amount: _____
 Contract Amount: _____
 Date of Actual Start of Implementation: _____

Program of Works					Actual Implementation						
No.	Items of Work/Description	Quantity	Item Cost	(% Weight	Date of Start	Date Completed	Accomplishment to date(%)	Accum. Accomp. to Date (%)	Paid Items(Php)		Paid amount to date (Php)
									PCF	LGU Fund (If Any)	
TOTAL											

Prepared By: _____
 P/C/M Engineer
 Date: _____

 Prov/City/Mun. Accountant
 Date: _____

Approved: _____
 Governor/Mayor
 Date: _____

Annex G: Statement of Receipts and Disbursements (SORD)

City/Municipality of _____						
Province of _____						
DILG - PERFORMANCE CHALLENGE FUND CY _____						
STATEMENT OF RECEIPTS AND DISBURSEMENTS (SORD)						
For the month of _____						
PROJECT TITLE: _____						
PROJECT COST: _____						
					DILG Equity	Total
Beginning Balance:					xxx	xxx
Receipts of Funds:						
	<u>Date</u>	<u>Reference No./Check No.</u>	<u>Particulars</u>	<u>Amount</u>		
Total Receipts				xxx	xxx	xxx
Total Available Funds					xxx	xxx
Less: Disbursements						
	<u>Date</u>	<u>Check No.</u>	<u>Disbursement Voucher No.</u>	<u>Payee/Particulars</u>	<u>Amount</u>	
Total Disbursements					xxx	xxx
Balance as of _____					xxx	xxx
Cummulative Summary:					DILG	TOTAL
Total Receipts					xxx	xxx
Total Disbursements					xxx	xxx
Total Balance					xxx	xxx
<i>I hereby certify that the foregoing statements are true and correct:</i>						
Certified Correct: (As to Report)		Certified Correct: (As to Disbursement)		Noted by		Verified and Found Correct:
P/C/M Accountant		P/C/M Treasurer		P/C/M Governor/Mayor		State Auditor III/Audit Team Leader

Annex H: LGU Project Completion Report

PERFORMANCE CHALLENGE FUND-SUPPORTED PROJECT LGU Project Completion Report

I. Identifying Information

Project title:	
LGU: (Province/City/Mun.)	
(Region/Cong. District)	
Project Location:	
No. of Beneficiaries:	
Direct	Women : _____ Men : _____
Indirect	Women : _____ Men : _____
Sector/s Involved: (e.g.,Fisherfolk)	
LGU Income Class:	
LCE/Contact Person	

II. Assessment of Accomplishments

Stated Objectives	Activities Conducted	Achievement of Objectives	Outcome/s (contribution to MDG, LED, support to DRR and CCA, good governance)

III. Difficulties Encountered and Measures Taken

IV. Unanticipated Benefits of the Project, if any

V. Finances (Actual Expenditure vs. Budget)

VI. Recommendations

VII. Attachments (Pictorials, Certificate of Completion, etc.)

Prepared by:

(Sgd.)LGU-PCF Team Leader

Date: _____

Approved By:

(Sgd)Local Chief Executive

Date: _____

Annex I - Motor Vehicle Report Form

**Performance Challenge Fund
Motor Vehicle Report Form**

Type of Motor Vehicle	Brand	Engine Displacement	No. of Unit/s	Classification	No. of Cylinders	Fuel Type	Unit Cost	Seller of Vehicle	Deployment

Prepared By:

Prov'l/Mun/City/ Accountant

Date: _____

Approved By:

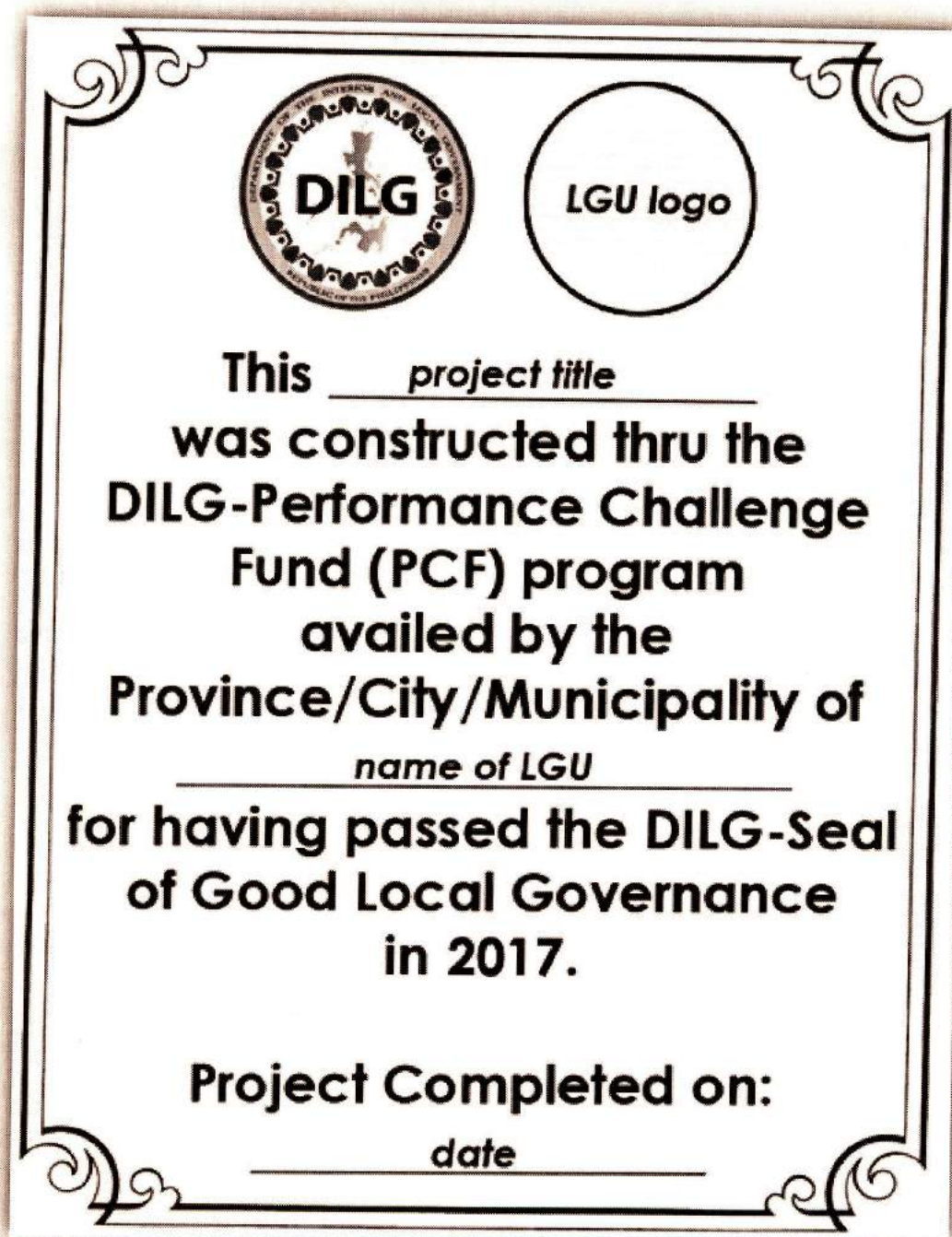
Governor/Mayor

Date: _____

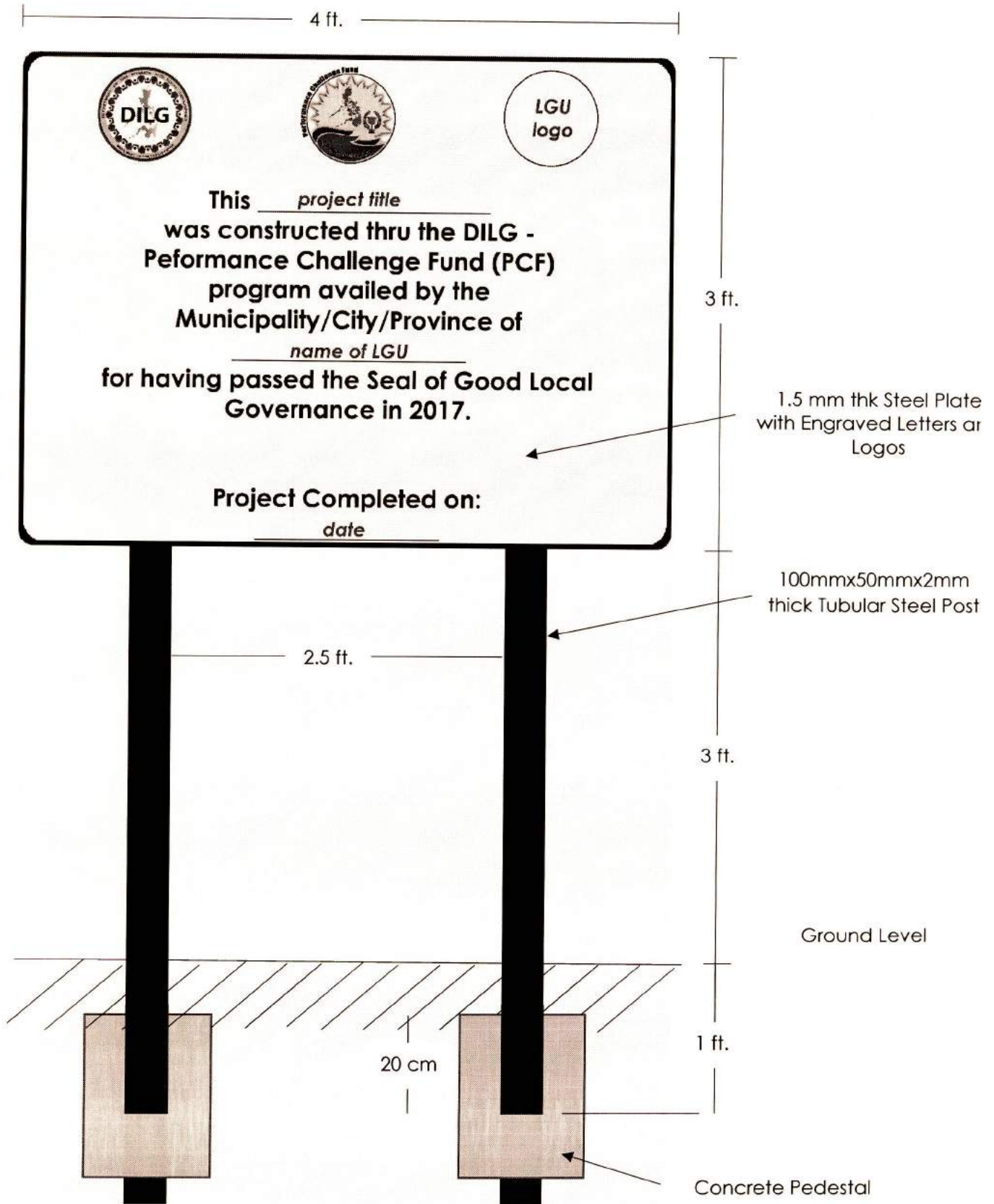
Annex J: Brass Marker for Completed Projects

SIZE: 8.5 inches width x 11 inches height

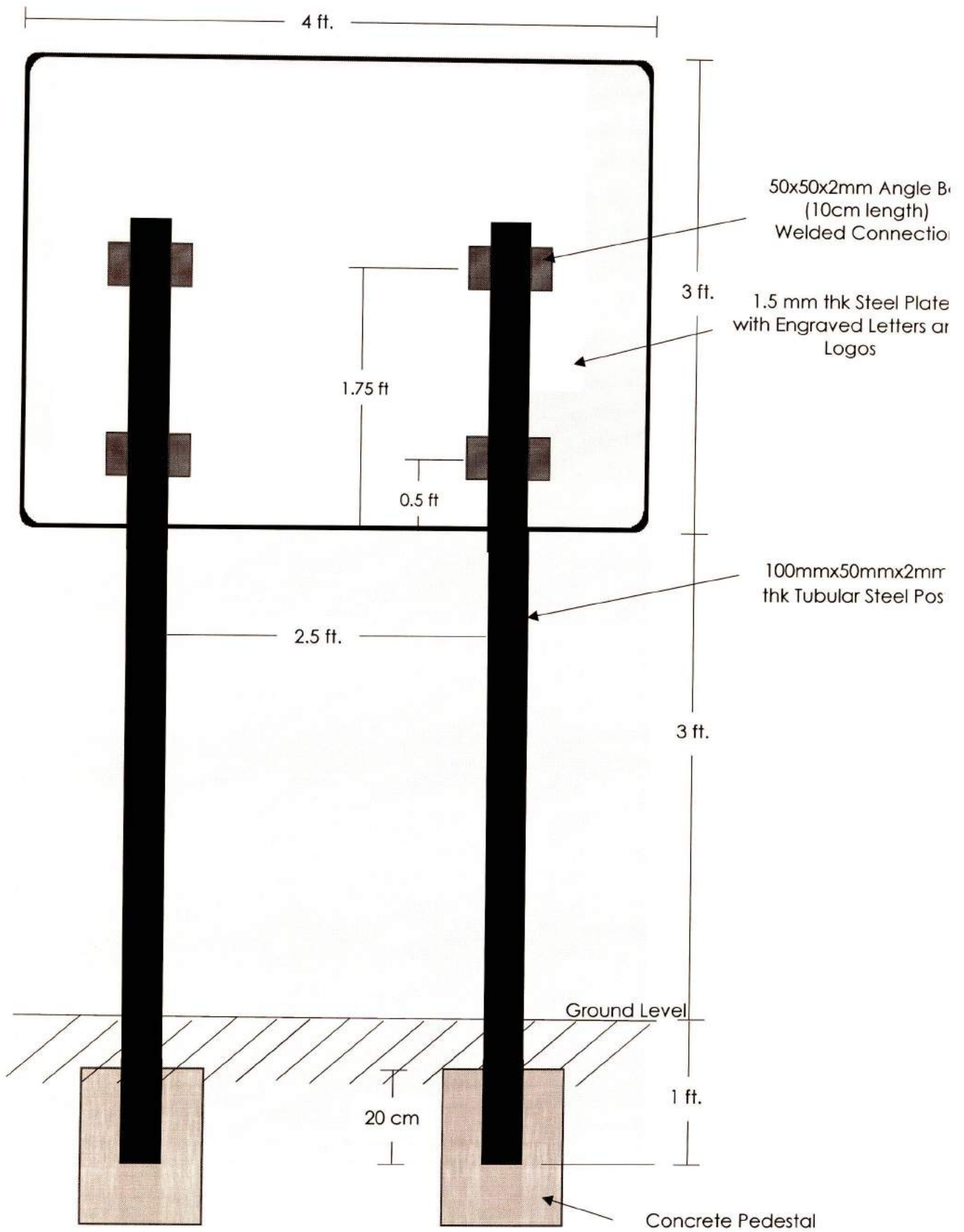
Material: Brass



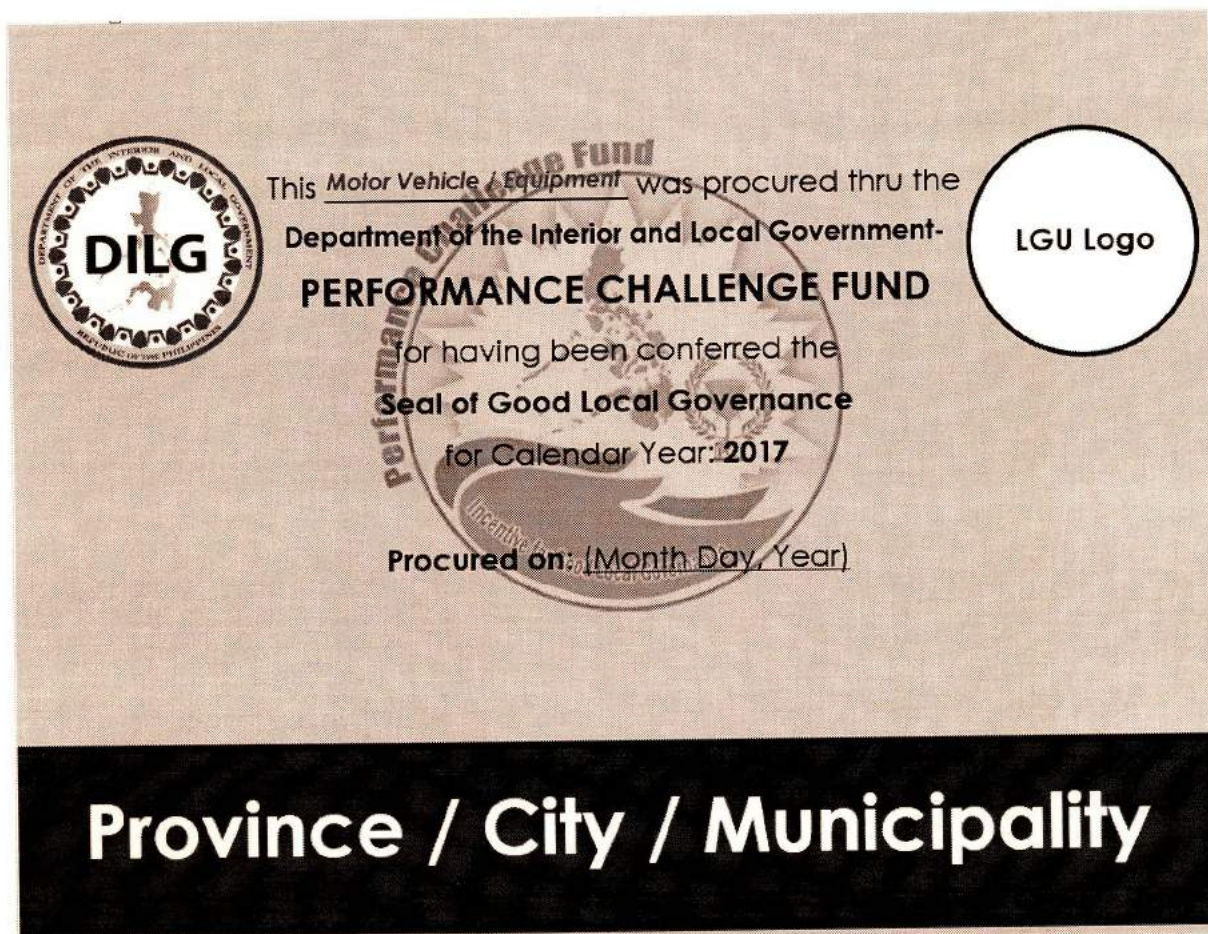
Proposed Project Signage for Horizontal Infrastructure Projects (FRONT)



Proposed Project Signage for Horizontal Infrastructure Projects (REAR)



Annex K: Motor Vehicle / Equipment Sticker



SPECIFICATION:

Size: 8.5 inches width x 11 inches height

Font Style: Century Gothic

Color: Yellow (#FFDE15) and Blue (#002C86)