

**[ ADMINISTRATIVE ORDER NO. 47, April 12, 1993 ]**

**AMENDING ARTICLE 417 OF THE RULES AND REGULATIONS  
IMPLEMENTING THE LOCAL GOVERNMENT CODE OF 1991  
APPROVED AND ADOPTED BY ADMINISTRATIVE ORDER NO. 270  
(1992)**

**WHEREAS**, there is a need to amend Article 417 of the Rules and Regulations Implementing Republic Act No. 7160, otherwise known as the "Local Government Code 1991", prescribed by Administrative Order No. 270 (1992), regarding the allowable changes in the local annual budgets;

**WHEREAS**, the Oversight Committee, constituted pursuant to Section 533 of Republic Act No. 7160, recommends the amendment of Article 417 of the Implementing Rules and Regulations;

**NOW, THEREFORE, I, FIDEL V. RAMOS**, President of the Republic of the Philippines, by virtue of the powers vested in me by law, do hereby order:

SECTION 1. Article 417 of the Rules and Regulations Implementing the Local Government Code of 1991 is hereby amended to read as follows:

"Art. 417. Changes in the Annual Budget. - Changes in the annual budget may be done through supplemental budgets.

"No ordinance providing for a supplemental budget shall be enacted except for the following:

(a) When supported by funds actually available as certified by the local treasurer:

Funds actually available refer to the amount of money actually collected as certified by the local treasurer at any given point during the fiscal year which is over and above the estimated income collection for that point in the year. Thus, funds are actually available when realized income exceeds estimated income as of any given day, month or quarter of the said fiscal year. Funds are likewise deemed actually available when there are savings. For this purpose, savings refer to portions or balances as of any given point in the fiscal year of any programmed or allotted appropriation which remain free of any obligation or encumbrance and which are still available after the satisfactory completion or the unavoidable discontinuance or abandonment of the work, activity or purpose for which the appropriation was originally authorized, or which result from unobligated compensation and related