

**[LETTER OF IMPLEMENTATION NO. 156, October
22, 1985]**

**DIRECTING THE PREPARATION AND SUBMISSION OF
AGENCY INTERNAL OPERATING BUDGETS (WORK AND
FINANCIAL PLANS)**

TO: Heads of Ministries, Bureaus, Offices, Commissions,
Government-Owned and/or Controlled Corporations, State
Universities and Colleges, and other Agencies of the National
Government

WHEREAS, the effective conduct of government activities requires the determination of agency work targets and the commensurate level of funding;

WHEREAS, in order to meet agency objectives and work targets, there is a need for the Office of Budget and Management to work out a national government expenditure program that will ensure availability of budgetary funds on a quarterly basis;

WHEREAS, available funds of the government have to be apportioned among priority programs and projects of agencies in order to attain maximum benefits at minimum cost;

WHEREAS, Section 38 of P.D. 1177 provides that the head of each ministry, office or agency shall submit to the Office of Budget and Management a request for allotment of funds showing the estimated amounts needed for each function, activity or purpose.

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, do hereby Order and Direct:

1. All Agencies shall prepare their respective internal operating budget (Work and Financial Plans) to effectively and efficiently implement the programs and projects of the government, in accordance with standard budgetary procedures.
2. The agency internal operating budget shall include detailed activity targets, their financial requirements and manpower needs. It shall detail the quarterly breakdown of agency expenditures.
3. The internal operating budget shall also detail the Cash Flow of the agency taking into account the cash requirement needed for the liquidation of current and prior years obligations.
4. The submission of the internal operating budgets shall be prerequisite to the releases of funds to agencies.
5. All agency internal operating budgets for calendar year 1986 shall be submitted to the Office of Budget and Management on or before December 5, 1985.

Done in the City of Manila this 22nd day of October, in the year of Our Lord, nineteen hundred and eighty-five.