

## **GENERAL PROVISIONS**

1. Consistent with the long-standing policy of the Naga City government for transparency, accountability and people empowerment, and in compliance with the full disclosure policy of the national government, this budget, and any supplemental budget enacted hereinafter, shall be posted in the official website and on the official bulletin boards of the city government.
2. Appropriations for the procurement of foodstuffs and drinks, farm and other agricultural products, handicrafts or native products, school bags, souvenir items, and other supplies and materials, which have locally-produced substitutes of acceptable quality and price, are herein earmarked to non-government organizations, barangay-based enterprises, cooperatives, and workers or farmers associations based in Naga City subject to the rules and regulation of Republic Act No. 9184, except when no such organization or other grassroots entity based in Naga City can provide such products, supplies or materials in the quality, quantity and time desired in which case other modes of procurement shall be resorted to for all, or for a portion of the procurement. Direct procurement as allowed under the Sagip Saka Act shall be the preferred mode of procurement for agricultural products.
3. Appropriations for environmental and sanitary services and those for projects which can be implemented by semi-skilled or unskilled labor are herein earmarked to non-government organizations, barangay-based enterprises, cooperatives, and other workers or farmers associations based in Naga City subject to the rules and regulation of Republic Act No. 9184, except when no such organization or other grassroots entity based in Naga City can provide such labor in the quality, quantity and time desired in which case other modes of procurement shall be resorted to for all, or for a portion of the procurement.
4. Procurement of lighting fixtures, electrical devices and office equipment, vehicles and other motorized equipment, air conditioners and other machineries, shall migrate the city towards energy-efficiency, reduced carbon footprint, and a substantial reduction in expenditures for electric power and fuel. This bias should be made evident in the Project Procurement Management Plan of each concerned department and offices.
5. Charges to training expenses shall be based on a duly approved capability development agenda aligned with the mission-vision of the city to be formulated by the Human Resources Management Office in consultation with the various departments and offices of the city government. For those offices with training expenses, they may not utilize the same for lakbay aral or benchmarking-type expenses but only for the training of their clientele/stakeholders or for training of personnel conducted or sponsored by their regulatory or oversight national agencies (e.g. DOH, BLGF). Training expenses shall include cost of participation such as travelling expenses to and from the venue, attendance in and conduct of trainings, conventions, seminar/workshops, training fees, honoraria of lecturers, cost of handouts, supplies, materials, meals, snacks and all other expenses related to training.
6. Honorarium or per diem granted to barangay volunteer workers performing functions assigned to them by city government departments and offices, and those to members of various local bodies, shall be in accordance with existing rules and regulations and to rates authorized by law or ordinance.

7. Disbursement and utilization of appropriations shall be in accordance with applicable laws, rules and regulations which are all deemed read into this ordinance. Public officials and employees who will authorize, allow or permit, as well as those who are negligent in the performance of their duties and functions which result in the incurrence or payment of unauthorized and unlawful obligation or expenditure, shall be held personally liable.
8. Obligation of appropriations shall only be for programs, projects and activities approved in the 2025 Annual Investment Program.
9. Aid to component barangays as mandated by Section 324 (c) of the Local Government Code shall consist of appropriations for (a) Barangay Support Fund intended to fund small projects as priorities and listed in the barangay's 2025 Annual Investment Program with a ceiling P480,000.00 per barangay, (b) Essential Community Services granting stipend to barangay personnel implementing programs or projects of the city government, including the Lupong Tagapamayapa at rates as indicated under Essential Community Services; and (c) support to the programs and projects of the Liga ng mga Barangay and the Kapisanan ng mga Sangguniang Barangay Kagawad and Sangguniang Kabataan.
10. The city mayor and the city vice mayor are herein authorized to augment any item in the approved annual budget for their respective offices from savings in other items within the same office and expense class of their respective appropriations without need of Sangguniang action,
11. A reserve of 10% of appropriation is herein imposed on all MOOE accounts except those intended for personnel compensation, utility, internet and telephone expenses, fuel, oil and lubricants, donations, scholarships and RLE subsidy to CCN students, and mandatory appropriations and statutory obligations as buffer for possible inflationary pressure on the prices of electricity, fuel, oil and lubricants, and other essential operating expenses of the city government:  
  
The Local Finance Committee may recommend the scaling down or total lifting of the reserve if it finds no further need for a reserve buffer.
12. All subsidies shall be subject to liquidation following the prescribed format or in a form sufficient to prove that the subsidy was utilized as intended under this annual budget.
13. All departments and offices, all special bodies created by the executive or the Sanggunian, and all other entities drawing funds from the city government, shall observe prudence and sound judgment in the use of their budget. Each expenditure shall connect to a public benefit and the promotion of the general welfare pursued using the most cost-effective option available.
14. All appropriations intended as credit facility to qualified beneficiaries such as micro, small and medium enterprises, farmers and similar groups shall be transferred to a trust fund at the start of the year. The principal component of loan repayments by beneficiaries shall be booked in the trust fund, interest and penalties shall be booked in their proper income account.
15. Procurements of related or similar items, and recurring procurements of the same items, shall be made thru public bidding or framework agreement to minimize the number of transactions.

16. Lump sum appropriations should pass through the Sangguniang Panlungsod for the corresponding details and/or concurrence prior to disbursement.
17. The release of the Youth Development Fund shall be in consultation with the Sangguniang Kabataan Federation President prior to implementation of all projects pertaining to the youth of the City of Naga.
18. The grant of communication allowance to city government officials and employees shall be in accordance with Department of Budget and Management Budget Circular 2024-2.