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Republic of the Philippines
PROVINCE OF SURIGAO DEL SUR
TANDAG CITY
-oOo-

Office of the Governor

RELEASED
PGO-SURIGAO DEL SUR
SIGNATURE OVER PRINTED NAME
CONTROL NO: DATE: 7-9-26 TIME: 10:30 AM

NG SANGGUNIANG
TANGGAPAN
RECEIVED
DATE: 7/3/26
BY:
TIME: 10:55 am
PANLALAWIGAN
TANDAG CITY, SURIGAO DEL SUR

TRANSMITTAL LETTER

July 1, 2026

Honorable Acting Vice-Governor RUEL D. MOMO, C.E.
AND THE **HONORABLE MEMBERS OF THE SANGGUNIANG PANLALAWIGAN**

Through: **MR. EDGAR G. PEREZ II, J.D.**
Secretary to the Sangguniang Panlalawigan

Honorable Members of the Sangguniang Panlalawigan,

Respectfully transmitted herewith is the proposal for **Supplemental Budget No. 2 for Fiscal Year 2026** in the total amount of **₱76,380,771.19**, for your **urgent review, consideration, and favorable approval**.

This submission formally requests this Honorable Body to **RECOGNIZE** the availability of funds, **AUTHORIZE** their utilization, and **APPROVE** the proposed appropriations to fund priority Programs, Projects, and Activities (PPAs) aligned with our Provincial Development Plan. These include the proper reclassification and utilization of the amount of ₱752,431.43 isolated by the Commission on Audit, now made available under the 5% Local Disaster Risk Reduction and Management Fund – Response, in compliance with audit observations.

The total amount is fully supported by available resources, officially certified and validated by the Provincial Treasurer and Provincial Accountant dated **June 3, 2026**, as free from any obligation, encumbrance, or liability.

Immediate approval is highly necessary to resolve audit findings, avoid disruption of operations, ensure timely implementation of critical projects, and settle statutory obligations. All proposed PPAs have been reviewed and recommended by the Provincial Development Council and are included in the Supplemental Annual Investment Program (SAIP).

Attached herewith are the following supporting documents for your reference and evaluation:

1. Budget Message
2. LBP Form No. 8 – Statement of Funding Sources
3. Certification of Funds (Provincial Treasurer & Provincial Accountant)
4. LBP Form No. 9 – Statement of Supplemental Appropriations
5. Supplemental Annual Investment Program (SAIP)
6. Copy of COA Management Letter dated May 19, 2025

Given the urgency of these requirements, we respectfully request that this matter be set for deliberation and approval as your priority.

We trust in your usual support and cooperation to enable the province to implement these vital undertakings for the benefit of the people of Surigao del Sur.

Respectfully yours,

MANUEL O. ALAMEDA, SR.
Acting Provincial Governor
Province of Surigao del Sur

PROVINCE OF SURIGAO DEL SUR
Office of the Secretary to the Sangguniang Panlalawigan
Tel. No.: 086-2115832
Email: ossp@surigaodelsur.gov.ph
OSSP-26-06022

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Office of the Governor

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BUDGET MESSAGE

July 1, 2026

Honorable Acting Vice-Governor RUEL D. MOMO, C.E.
AND THE HONORABLE MEMBERS OF THE SANGGUNIANG PANLALAWIGAN

Through: **MR. EDGAR G. PEREZ II, J.D.**
Secretary to the Sangguniang Panlalawigan

Honorable Members of the Sangguniang Panlalawigan,

In compliance with the provisions of the Local Government Code of 1991 (Republic Act 7160) and pertinent budgetary rules and regulations, I have the honor to submit herewith **Supplemental Budget No. 2 for Fiscal Year 2026** in the total amount of **₱76,380,771.19**, for your **urgent** consideration, review, and approval.

Accordingly, submitted for your consideration and approval is the **urgent** request to recognize, authorize, and allow the utilization of available funds amounting to **₱76,380,771.19**. These funds are certified as free from any obligation, encumbrance, or liability, as documented and validated in the official certifications issued by the Provincial Treasurer and Provincial Accountant dated June 3, 2026.

This supplemental appropriation is proposed to provide **immediate** funding for priority programs, projects, and activities (PPAs) aligned with our Provincial Development Plan and essential for the delivery of basic services, health system improvement, infrastructure development, and good governance.

SOURCES OF FUNDING

The total amount requested is fully supported by available resources, officially certified and validated by the Provincial Treasurer and Provincial Accountant. Crucially, the utilization of these fund sources—especially the validated savings and additional funds—is submitted for your approval, as the authority to recognize and authorize their use rests with this Honorable Body.

These resources are derived from the following sources:

1. NEW REVENUE SOURCES

- **Surplus FY 2025:** Unutilized appropriations from Provincial Health Office and Lianga District Hospital - - - - - - **₱15,550,000.00**
- **Excess Collection FY 2025:** Realized excess collections from Bislig, Cortes, Hinatuan, Madrid, Marihatag, and San Miguel Hospitals - **31,447,699.11**
- **5% LDRRF** – Deficiency in appropriation from Supplemental Budget No. 01 (Appropriation Ordinance No. 151-25, dated February 25, 2025) per COA Management Letter on the Compliance Audit dated May 19, 2025 **752,431.43**

2. SAVINGS / UNEXPENDED BALANCES

Derived from unfilled positions, vacant plantilla items, and unexpended appropriations across all provincial offices and hospitals (Jan – May 2026) While these are declared as savings and unexpended balances, their re-appropriation and usage are subject to your approval to formally authorize their utilization for the new priorities and essential activities of the province – **28,630,640.65**

TOTAL AVAILABLE RESOURCES: **₱76,380,771.19**

These funds represent savings/unexpended balances, and excess collection FY 2025. However, pursuant to law, the recognition of these available funds and the authorization to utilize them for the proposed projects are respectfully requested from this Honorable Body.

SUMMARY OF PROPOSED APPROPRIATIONS

The proposed Supplemental Budget No. 2 allocates these resources to various offices and hospitals, as detailed below:

I. PROVINCIAL GOVERNOR'S OFFICE –		**₱11,241,914.00**
• **Executive Governance Program:** (Other Personnel Benefits / Monetization)	41,914.00	
• **Establishment & Operationalization of GAD Office:**	270,000.00	
• **Strengthening GAD Governance & Monitoring:**	35,000.00	
• **Capacity Building & Advocacy (GAD):**	365,000.00	
• **Networking & Recognition (GAD):**	130,000.00	
• **Provincial Capitol Facilities Upgrade & Modernization:** *(Generator Set for Executive Building)*	7,400,000.00	
• **Completion of Civil Service Commission Building:** *(Additional appropriation)*	1,000,000.00	
• **Rehabilitation & Retrofitting of PESO Building:** *(Ground floor for DMW & OWWA offices)*	2,000,000.00	
• II. OTHER PROVINCIAL OFFICES		**8,649,620.83**
• **Provincial Legal Office:** *(Office Equipment)*	85,300.00	
• **Public Employment Service Office (PESO):** *(Operating expenses)*	770,000.00	
• **Provincial Tourism Office:** (Other Personnel Benefits / Monetization)	113,479.51	
• **Governor's Office – Warden Division:** *(Motor vehicle for Jail Welfare Program)*	400,000.00	
• **Office of the Secretary to the Sangg. Panlalawigan:** *(Personnel benefits)*	336,109.00	
• **Vice Governor's Office:** *(Personnel benefits)*	575,778.00	
• **Provincial Administrator's Office:** (Other Personnel Benefits / Monetization)	24,517.55	
• **Provincial Budget Office:** (Other Personnel Benefits / Monetization)	250,567.84	
• **Provincial Planning & Devt. Office:** (Other Personnel Benefits / Monetization)	580,298.00	
• **Provincial Prosecutor's Office:**	79,580.00	
• **Provincial DRRM Office:** *(Drugs & medicines for health protection/Other MOOOE)*	2,324,816.39	
• **Provincial Social Welfare & Development Office:** *(Longevity pay)*	94,903.00	
• **Provincial ENRO:** *(Operations & personnel benefits)*	461,634.55	
• **Provincial Agriculturist's Office:** (Other Personnel Benefits / Monetization)	627,173.00	
• **Provincial Health Office:** *(Terminal leave benefits & Water Analysis Program)*	1,422,330.00	
• **Provincial Engineering Office:** (Other Personnel Benefits / Monetization)	20,975.00	
• **Provincial Accountant's Office:** (Other Personnel Benefits / Monetization)	482,158.96	
III. DISTRICT & MUNICIPAL HOSPITALS		**56,489,236.40**
• **Cortes Municipal Hospital:** *(Health Management Support Program)*	1,316,702.24	
• **Bislig District Hospital:**		
○ ***Procurement of Anaesthesia Machine (LGU Share):***	700,000.00	
○ ***Drugs & Medical Supplies:***	1,353,524.40	
○ ***Rehabilitation of Sewerage Treatment Plant:***	20,000,000.00	
• **Hinatuan District Hospital:** *(Repairs & Hospital Operations)*	3,460,089.73	
• **Madrid District Hospital:** *(Operations & medical support)*	252,505.54	
• **Marihatag District Hospital:**		
○ ***Health Management Support Program:***	4,670,039.72	
○ ***Land Acquisition for Expansion:***	2,000,000.00	
○ ***Hospital Fencing Phase 1:***	3,000,000.00	
• **Lianga District Hospital:** (Health Management Support Program)	15,000,000.00	
• **San Miguel Community Hospital:** (Health Management Support Program)	4,736,374.76	
Total Appropriations		**₱76,380,771.19**

The Programs/Projects and activities (PPAs) included in this supplemental budget were carefully identified and prioritized to address urgent needs and gaps in our service delivery:

1. **Compliance with Audit Observations & Proper Fund Utilization:** The amount of **₱752,431.43** adjusted from Supplemental Budget No. 01 (Appropriation Ordinance No. 151-25, dated February 25, 2025), in compliance with the COA Management Letter dated May 19, 2025, is hereby appropriated under the **5% Local Disaster Risk Reduction and Management Fund – Response**, specifically for the *Support to the Emergency Responders Activation and Rapid Deployment Program.* This action resolves the audit observation, ensures legal and proper classification of funds, and strengthens the province's capacity to respond effectively during emergencies and disasters.

2. **Health Sector Strengthening:** The bulk of the appropriation is directed to our district and municipal hospitals. This funding will ensure the continuous supply of medicines and medical supplies, critical repairs and maintenance of facilities, acquisition of essential medical equipment, and infrastructure expansion such as the sewerage treatment plant in Bislig and land acquisition in Marihatag. These investments are vital to meet health standards and improve patient care.

3. **Infrastructure & Facility Improvement:** We allocate funds for the upgrade of power systems at the Provincial Capitol, completion of the CSC building, and retrofitting of the PESO building to accommodate national agencies. These projects aim to provide a better working environment and improved public service facilities.

4. **Good Governance & Institutional Development:** Provisions are made for the operationalization of the Gender and Development (GAD) Office, capacity building activities, and the settlement of statutory personnel benefits such as monetization of leave credits and longevity pay, ensuring the welfare of our employees and compliance with civil service laws.

5. **Social Services & Disaster Resilience:** Funding is also provided for disaster risk reduction and health protection programs, ensuring the province is prepared and responsive to public health emergencies and community needs.

All proposed PPAs have been reviewed and recommended by the Provincial Development Council and are included in the Supplemental Annual Investment Program (SAIP), ensuring alignment with our development goals.

Honorable Members, while the resources presented herein are available and certified, the legal authority to utilize these funds rests with this Honorable Body. The programs and projects proposed are necessary, urgent, and directly beneficial to the people of Surigao del Sur. We therefore respectfully submit these for your recognition and authorization to use these funds.

I am confident that with your usual wisdom and support, we shall be able to translate these appropriations into tangible services, improved infrastructure, and better health outcomes for our constituents.

I therefore respectfully request the Honorable Sangguniang Panlalawigan to **RECOGNIZE the availability of these funds, AUTHORIZE their utilization, and APPROVE Supplemental Budget No. 2, Fiscal Year 2026** in the amount of **₱76,380,771.19**.

Thank you and may we continue to work together for the progress and prosperity of our province.

Respectfully yours,

MANUEL O. ALAMEDA, SR.
Acting Provincial Governor
Province of Surigao del Sur

STATEMENT OF FUNDING SOURCES
(Supplemental Budget No. 02)
Fiscal Year 2026

Province of Surigao del Sur

General Fund

Particulars	Account Classification	Amount
1.0 NEW REVENUE SOURCES		
Surplus FY 2025		
Provincial Health Office Unutilized Appropriation		550,000.00
Lianga District Hospital Unutilized Appropriation		15,000,000.00
Excess Collection FY 2025		
Bislig District Hospital		11,951,078.32
Cortes Municipal Hospital		976,700.90
Hinatuan District Hospital		3,642,199.72
Madrid District Hospital		265,795.30
Marihatag District Hospital		10,129,036.96
San Miguel Community Hospital		4,482,887.91
5% LDRRF		
Deficiency in appropriation from Supplemental Budget No. 01 (Appropriation Ordinance No. 151-25, dated February 25, 2025) per COA Management Letter on the Compliance Audit dated May 19, 2025		752,431.43
2.0 SAVINGS		
Provincial Governor's Office		
Administrative Aide VI - item No. 24, SG6/1		
Salaries and wages (January 1 to February 28, 2026)	*5-01-01-010*	37,914.00
PERA	*5-01-02-010*	4,000.00
Other Maintenance & Operating Expenses (Support to the conduct Araw ng SDS Celebration related Activities)	*5-02-99-990*	23,000,000.00
Sub-total		23,041,914.00
Office of the Secretary to Sangguniang Panlalawigan		
Unfilled Positions:		
Local Legislative Staff Asst. III - item No. 6, SG10/1		
Salaries and wages (March 1 to May 31, 2026)	*5-01-01-010*	76,758.00
PERA	*5-01-02-010*	6,000.00
Local Legislative Staff Employee II - item No. 10, SG4/1		
Salaries and wages (March 1 to May 31, 2026)	*5-01-01-010*	50,499.00
PERA	*5-01-02-010*	6,000.00
Local Legislative Staff Employee II - item No. 21, SG4/1		
Salaries and wages (March 1 to May 31, 2026)	*5-01-01-010*	50,499.00
PERA	*5-01-02-010*	6,000.00
Local Legislative Staff Employee II - item No. 27, SG4/1		
Salaries and wages (March 1 to May 31, 2026)	*5-01-01-010*	50,499.00
PERA	*5-01-02-010*	6,000.00
Admin. Assistant V - item No. 35, SG11/1		
Salaries and wages (March 1 to May 31, 2026)	*5-01-01-010*	90,072.00
PERA	*5-01-02-010*	6,000.00
Sub-total		348,327.00
Provincial Tourism Office		
Unfilled Position:		
Administrative Aide IV - item No. 4, SG4/1		
Salaries and wages (January 1 to April 30, 2026)	*5-01-01-010*	67,332.00
PERA	*5-01-02-010*	8,000.00
Sub-total		75,332.00
Provincial Governor's Office -Warden Division		
Other Maintenance & Operating Expenses (Jail Welfare and Development Program)	*5-02-99-990*	400,000.00

Provincial Accountant's Office		
Unfilled Positions:		
Accountant IV - item No. 3, SG22/1		
Salaries and wages (March 18 to May 31, 2026)	*5-01-01-010*	191,622.96
PERA	*5-01-02-010*	4,000.00
Administrative Officer V - item No. 21, SG18/1		
Salaries and wages (March 1 to May 31, 2026)	*5-01-01-010*	153,912.00
PERA	*5-01-02-010*	6,000.00
Administrative Officer IV - item No. 25, SG15/1		
Salaries and wages (March 1 to May 31, 2026)	*5-01-01-010*	120,624.00
PERA	*5-01-02-010*	6,000.00
Accountant III - item No. 43, SG19/1		
Salaries and wages (April 1 to May 31, 2026)	*5-01-01-010*	112,780.00
PERA	*5-01-02-010*	4,000.00
Accountant III - item No. 44, SG19/1		
Salaries and wages (April 1 to May 31, 2026)	*5-01-01-010*	112,780.00
PERA	*5-01-02-010*	4,000.00
Sub-total		715,718.96
Provincial Planning and Development Office		
Unfilled Positions:		
Project Evaluation Officer IV - item No. 20, SG22/1		
Salaries and wages (February 1 to April 30, 2026)	*5-01-01-010*	234,486.00
PERA	*5-01-02-010*	6,000.00
Administrative Aide VI - item No. 5, SG6/1		
Salaries and wages (January 1 to April 30, 2026)	*5-01-01-010*	75,828.00
PERA	*5-01-02-010*	8,000.00
Project Evaluation Officer III - item No. 16, SG18/1		
Salaries and wages (February 1 to April 30, 2026)	*5-01-01-010*	153,912.00
PERA	*5-01-02-010*	6,000.00
Project Development Officer I - item No. 24, SG11/1		
Salaries and wages (February 1 to April 30, 2026)	*5-01-01-010*	90,072.00
PERA	*5-01-02-010*	6,000.00
Sub-total		580,298.00
Provincial Prosecutor's Office		
Unfilled Positions:		
Administrative Aide IV - item No. 8, SG6/1		
Salaries and wages (March 1-31, April 1-30, 2026)	*5-01-01-010*	37,914.00
PERA	*5-01-02-010*	4,000.00
Administrative Aide IV - item No. 4, SG4/1		
Salaries and wages (March 1-31, April 1-30, 2026)	*5-01-01-010*	33,666.00
PERA	*5-01-02-010*	4,000.00
Sub-total		79,580.00
Provincial Legal Office		
Legal Services Program		
Books	*1-07-07-020*	85,300.00
Provincial Social Welfare & Development Office		
Personal Services		
Overtime and Night Pay	*5-01-02-130*	94,903.00
Provincial Environment & Natural Resources Office		
Unfilled Positions:		
PENR Officer - item No. 1, SG6/1		
Salaries and wages (January 4 to March 15, 2026)	*5-01-01-010*	303,412.06
Assistant PENR Officer - item No. 2, SG24/1		
Salaries and wages (March 16 - May 15, 2026)	*5-01-01-010*	196,370.00
Sub-total		499,782.06

Provincial Agriculturist's Office		
Unfilled Positions:		
Asst. Provincial Agriculturist - item No. 2, SG24/1		
Salaries and wages (February to April, 2026)	5-01-01-010	294,555.00
Agricultural Technologist - item No. 6, SG10/1		
Salaries and wages (January to February, 2026)	5-01-01-010	51,172.00
Agricultural Technologist - item No. 28, SG10/1		
Salaries and wages (January to April, 2026)	5-01-01-010	102,344.00
Agricultural Technologist - item No. 36, SG10/1		
Salaries and wages (January to April, 2026)	5-01-01-010	102,344.00
Agricultural Technologist - item No. 47, SG10/1		
Salaries and wages (January 2026)	5-01-01-010	25,586.00
Agricultural Technologist - item No. 55, SG10/1		
Salaries and wages (January to February, 2026)	5-01-01-010	51,172.00
Sub-total		627,173.00
Provincial Health Office		
Unfilled Positions:		
Medical Specialist III - item No. 24, SG24/3		
Salaries and wages (February 1-28 & March 1-31, 2026)	5-01-01-010	202,566.00
Chemist III - item No. 26, SG18/1		
Salaries and wages (Jan. 1 to March 31, 2026)	5-01-01-010	153,912.00
Medical Technologist III - item No. 34, SG18/1		
Salaries and wages (Jan. 1 to March 31, 2026)	5-01-01-010	153,912.00
Statistician I - item No. 47, SG11/1		
Salaries and wages (Jan. 1 to Feb. 15, 2026)	5-01-01-010	45,036.00
Sanitation Inspector II - item No. 57, SG8/1		
Salaries and wages (January 1-31, 2026)	5-01-01-010	21,448.00
Sanitation Inspector II - item No. 59, SG8/1		
Salaries and wages (January 1-31, 2026)	5-01-01-010	21,448.00
Medical Technologist III - item No. 62, SG18/1		
Salaries and wages (Jan. 1 to Feb. 28, 2026)	5-01-01-010	153,912.00
Medical Technologist I - item No. 63, SG11/1		
Salaries and wages (January 1-31, 2026)	5-01-01-010	30,024.00
Pharmacist I - item No. 64, SG11/1		
Salaries and wages (Jan. 1 to March 31, 2026)	5-01-01-010	90,072.00
Sub-total		872,330.00
Cortes Municipal Hospital		
Unfilled Positions:		
Chief of Hospital I - item No. 1, SG4/1		
Salaries and wages (March 1-31, April 1-30, 2026)	5-01-01-010	196,370.00
PERA	5-01-02-010	4,000.00
Subsistence Allowance	5-01-02-050	3,000.00
Laundry Allowance	5-01-02-060	300.00
Hazard Pay	5-01-02-100	19,637.00
Medical Officer III - item No. 3, SG1/1		
Salaries and wages (March 1-31, April 1-30, 2026)	5-01-01-010	140,026.00
PERA	5-01-02-010	4,000.00
Subsistence Allowance	5-01-02-050	3,000.00
Laundry Allowance	5-01-02-060	300.00
Hazard Pay	5-01-02-100	18,203.38
Sub-total		388,836.38

Marihatag District Hospital		
Unfilled Positions:		
Dentist II - item No. 8, SG17/1		
Salaries and wages (January to April, 2026)	5-01-01-010	188,988.00
PERA	5-01-02-010	8,000.00
Hazard Pay	5-01-02-100	47,247.00
Administrative Aide I - item No. 42, SG1/1		
Salaries and wages (January to April, 2026)	5-01-01-010	56,244.00
PERA	5-01-02-010	8,000.00
Hazard Pay	5-01-02-100	14,061.00
Sub-total		322,540.00
San Miguel Community Hospital		
Unfilled Positions:		
Social Welfare Officer I - item No. 13, SG11/1		
Salaries and wages (January to May, 2026)	5-01-01-010	150,120.00
PERA	5-01-02-010	10,000.00
Subsistence Allowance	5-01-02-050	7,500.00
Laundry Allowance	5-01-02-060	750.00
Hazard Pay	5-01-02-100	37,530.00
Nursing Attendant I - item No. 17, SG4/1		
Salaries and wages (January to May, 2026)	5-01-01-010	84,165.00
PERA	5-01-02-010	10,000.00
Subsistence Allowance	5-01-02-050	7,500.00
Laundry Allowance	5-01-02-060	750.00
Hazard Pay	5-01-02-100	21,041.25
Nurse IV - item No. 25, SG19/1		
Salaries and wages (April to May, 2026)	5-01-01-010	112,780.00
PERA	5-01-02-010	4,000.00
Subsistence Allowance	5-01-02-050	3,000.00
Laundry Allowance	5-01-02-060	300.00
Hazard Pay	5-01-02-100	28,195.00
Sub-total		477,631.25
Provincial Engineering's Office		
Unfilled Position:		
Administrative Aide VI - item No. 9, SG6/1		
Salaries and wages (January 1 - 31, 2026)	5-01-01-010	18,975.00
PERA	5-01-02-010	2,000.00
Sub-total		20,975.00
Total Available Resources		**76,380,771.19**

We hereby certify the availability of funds which remain free of any obligations or encumbrances. This is to certify further the above positions were not filled up on the period they are declared unutilized.

Certified Correct:

FERMINA D. PALANGPANG
Provincial Treasurer

MARIA SHEILA P. BUHION, CPA
Provincial Accountant

Republic of the Philippines
PROVINCE OF SURIGAO DEL SUR
TANDAG CITY

CERTIFICATION

WE HEREBY CERTIFY that the following funds are sourced out from the Surplus FY 2025, Excess Collection FY 2025, 5% LDRRF and Current Year Savings that contain the unexpended balance of different offices which remain free of any obligations or encumbrances and is available to any obligations, thereat:

Particulars	Account Classification	Amount
1.0 NEW REVENUE SOURCES		
Surplus FY 2025		
Provincial Health Office Unutilized Appropriation		550,000.00
Lianga District Hospital Unutilized Appropriation		15,000,000.00
Excess Collection FY 2025		
Bislig District Hospital		11,951,078.32
Cortes Municipal Hospital		976,700.90
Hinatuan District Hospital		3,642,199.72
Madrid District Hospital		265,795.30
Marihatag District Hospital		10,129,036.96
San Miguel Community Hospital		4,482,887.91
5% LDRRF		
Deficiency in appropriation from Supplemental Budget No. 01 (Appropriation Ordinance No. 151-25, dated February 25, 2025) per COA Management Letter on the Compliance Audit dated May 19, 2025		752,431.43
2.0 SAVINGS		
Provincial Governor's Office		
Administrative Aide VI - item No. 24, SG6/1		
Salaries and wages (January 1 to February 28, 2026)	*5-01-01-010*	37,914.00
PERA	*5-01-02-010*	4,000.00
Other Maintenance & Operating Expenses (Support to the conduct Araw ng SDS Celebration related Activities)	*5-02-99-990*	23,000,000.00
Sub-total		23,041,914.00
Office of the Secretary to Sangguniang Panlalawigan		
Unfilled Positions:		
Local Legislative Staff Asst. III - item No. 6, SG10/1		
Salaries and wages (March 1 to May 31, 2026)	*5-01-01-010*	76,758.00
PERA	*5-01-02-010*	6,000.00
Local Legislative Staff Employee II - item No. 10, SG4/1		
Salaries and wages (March 1 to May 31, 2026)	*5-01-01-010*	50,499.00
PERA	*5-01-02-010*	6,000.00
Local Legislative Staff Employee II - item No. 21, SG4/1		
Salaries and wages (March 1 to May 31, 2026)	*5-01-01-010*	50,499.00
PERA	*5-01-02-010*	6,000.00
Local Legislative Staff Employee II - item No. 27, SG4/1		
Salaries and wages (March 1 to May 31, 2026)	*5-01-01-010*	50,499.00
PERA	*5-01-02-010*	6,000.00
Admin. Assistant V - item No. 35, SG11/1		
Salaries and wages (March 1 to May 31, 2026)	*5-01-01-010*	90,072.00
PERA	*5-01-02-010*	6,000.00
Sub-total		348,327.00
Provincial Tourism Office		
Unfilled Position:		
Administrative Aide IV - item No. 4, SG4/1		
Salaries and wages (January 1 to April 30, 2026)	*5-01-01-010*	67,332.00
PERA	*5-01-02-010*	8,000.00
Sub-total		75,332.00

Provincial Governor's Office -Warden Division		
Other Maintenance & Operating Expenses (Jail Welfare and Development Program)	5-02-99-990	400,000.00
Provincial Accountant's Office		
Unfilled Positions:		
Accountant IV - item No. 3, SG22/1		
Salaries and wages (March 18 to May 31, 2026)	5-01-01-010	191,622.96
PERA	5-01-02-010	4,000.00
Administrative Officer V - item No. 21, SG18/1		
Salaries and wages (March 1 to May 31, 2026)	5-01-01-010	153,912.00
PERA	5-01-02-010	6,000.00
Administrative Officer IV - item No. 25, SG15/1		
Salaries and wages (March 1 to May 31, 2026)	5-01-01-010	120,624.00
PERA	5-01-02-010	6,000.00
Accountant III - item No. 43, SG19/1		
Salaries and wages (April 1 to May 31, 2026)	5-01-01-010	112,780.00
PERA	5-01-02-010	4,000.00
Accountant III - item No. 44, SG19/1		
Salaries and wages (April 1 to May 31, 2026)	5-01-01-010	112,780.00
PERA	5-01-02-010	4,000.00
Sub-total		715,718.96
Provincial Planning and Development Office		
Unfilled Positions:		
Project Evaluation Officer IV - item No. 20, SG22/1		
Salaries and wages (February 1 to April 30, 2026)	5-01-01-010	234,486.00
PERA	5-01-02-010	6,000.00
Administrative Aide VI - item No. 5, SG6/1		
Salaries and wages (January 1 to April 30, 2026)	5-01-01-010	75,828.00
PERA	5-01-02-010	8,000.00
Project Evaluation Officer III - item No. 16, SG18/1		
Salaries and wages (February 1 to April 30, 2026)	5-01-01-010	153,912.00
PERA	5-01-02-010	6,000.00
Project Development Officer I - item No. 24, SG11/1		
Salaries and wages (February 1 to April 30, 2026)	5-01-01-010	90,072.00
PERA	5-01-02-010	6,000.00
Sub-total		580,298.00
Provincial Prosecutor's Office		
Unfilled Positions:		
Administrative Aide IV - item No. 8, SG6/1		
Salaries and wages (March 1-31, April 1-30, 2026)	5-01-01-010	37,914.00
PERA	5-01-02-010	4,000.00
Administrative Aide IV - item No. 4, SG4/1		
Salaries and wages (March 1-31, April 1-30, 2026)	5-01-01-010	33,666.00
PERA	5-01-02-010	4,000.00
Sub-total		79,580.00
Provincial Legal Office		
Legal Services Program		
Books	1-07-07-020	85,300.00
Provincial Social Welfare & Development Office		
Personal Services		
Overtime and Night Pay	5-01-02-130	94,903.00
Provincial Environment & Natural Resources Office		
Unfilled Positions:		
PENR Officer - item No. 1, SG6/1		
Salaries and wages (January 4 to March 15, 2026)	5-01-01-010	303,412.06
Assistant PENR Officer - item No. 2, SG24/1		
Salaries and wages (March 16 - May 15, 2026)	5-01-01-010	196,370.00
Sub-total		499,782.06

Provincial Agriculturist's Office		
Unfilled Positions:		
Asst. Provincial Agriculturist - item No. 2, SG24/1		
Salaries and wages (February to April, 2026)	5-01-01-010	294,555.00
Agricultural Technologist - item No. 6, SG10/1		
Salaries and wages (January to February, 2026)	5-01-01-010	51,172.00
Agricultural Technologist - item No. 28, SG10/1		
Salaries and wages (January to April, 2026)	5-01-01-010	102,344.00
Agricultural Technologist - item No. 36, SG10/1		
Salaries and wages (January to April, 2026)	5-01-01-010	102,344.00
Agricultural Technologist - item No. 47, SG10/1		
Salaries and wages (January 2026)	5-01-01-010	25,586.00
Agricultural Technologist - item No. 55, SG10/1		
Salaries and wages (January to February, 2026)	5-01-01-010	51,172.00
Sub-total		627,173.00
Provincial Health Office		
Unfilled Positions:		
Medical Specialist III - item No. 24, SG24/3		
Salaries and wages (February 1-28 & March 1-31, 2026)	5-01-01-010	202,566.00
Chemist III - item No. 26, SG18/1		
Salaries and wages (Jan. 1 to March 31, 2026)	5-01-01-010	153,912.00
Medical Technologist III - item No. 34, SG18/1		
Salaries and wages (Jan. 1 to March 31, 2026)	5-01-01-010	153,912.00
Statistician I - item No. 47, SG11/1		
Salaries and wages (Jan. 1 to Feb. 15, 2026)	5-01-01-010	45,036.00
Sanitation Inspector II - item No. 57, SG8/1		
Salaries and wages (January 1-31, 2026)	5-01-01-010	21,448.00
Sanitation Inspector II - item No. 59, SG8/1		
Salaries and wages (January 1-31, 2026)	5-01-01-010	21,448.00
Medical Technologist III - item No. 62, SG18/1		
Salaries and wages (Jan. 1 to Feb. 28, 2026)	5-01-01-010	153,912.00
Medical Technologist I - item No. 63, SG11/1		
Salaries and wages (January 1-31, 2026)	5-01-01-010	30,024.00
Pharmacist I - item No. 64, SG11/1		
Salaries and wages (Jan. 1 to March 31, 2026)	5-01-01-010	90,072.00
Sub-total		872,330.00
Cortes Municipal Hospital		
Unfilled Positions:		
Chief of Hospital I - item No. 1, SG4/1		
Salaries and wages (March 1-31, April 1-30, 2026)	5-01-01-010	196,370.00
PERA	5-01-02-010	4,000.00
Subsistence Allowance	5-01-02-050	3,000.00
Laundry Allowance	5-01-02-060	300.00
Hazard Pay	5-01-02-100	19,637.00
Medical Officer III - item No. 3, SG1/1		
Salaries and wages (March 1-31, April 1-30, 2026)	5-01-01-010	140,026.00
PERA	5-01-02-010	4,000.00
Subsistence Allowance	5-01-02-050	3,000.00
Laundry Allowance	5-01-02-060	300.00
Hazard Pay	5-01-02-100	18,203.38
Sub-total		388,836.38

Marihatag District Hospital		
Unfilled Positions:		
Dentist II - item No. 8, SG17/1		
Salaries and wages (January to April, 2026)	*5-01-01-010*	188,988.00
PERA	*5-01-02-010*	8,000.00
Hazard Pay	*5-01-02-100*	47,247.00
Administrative Aide I - item No. 42, SG1/1		
Salaries and wages (January to April, 2026)	*5-01-01-010*	56,244.00
PERA	*5-01-02-010*	8,000.00
Hazard Pay	*5-01-02-100*	14,061.00
Sub-total		322,540.00
San Miguel Community Hospital		
Unfilled Positions:		
Social Welfare Officer I - item No. 13, SG11/1		
Salaries and wages (January to May, 2026)	*5-01-01-010*	150,120.00
PERA	*5-01-02-010*	10,000.00
Subsistence Allowance	*5-01-02-050*	7,500.00
Laundry Allowance	*5-01-02-060*	750.00
Hazard Pay	*5-01-02-100*	37,530.00
Nursing Attendant I - item No. 17, SG4/1		
Salaries and wages (January to May, 2026)	*5-01-01-010*	84,165.00
PERA	*5-01-02-010*	10,000.00
Subsistence Allowance	*5-01-02-050*	7,500.00
Laundry Allowance	*5-01-02-060*	750.00
Hazard Pay	*5-01-02-100*	21,041.25
Nurse IV - item No. 25, SG19/1		
Salaries and wages (April to May, 2026)	*5-01-01-010*	112,780.00
PERA	*5-01-02-010*	4,000.00
Subsistence Allowance	*5-01-02-050*	3,000.00
Laundry Allowance	*5-01-02-060*	300.00
Hazard Pay	*5-01-02-100*	28,195.00
Sub-total		477,631.25
Provincial Engineering's Office		
Unfilled Position:		
Administrative Aide VI - item No. 9, SG6/1		
Salaries and wages (January 1 - 31, 2026)	*5-01-01-010*	18,975.00
PERA	*5-01-02-010*	2,000.00
Sub-total		20,975.00
Total Available Resources		**76,380,771.19**

This is to certify further the above positions were not filled up on the period they are declared unutilized.

ISSUED this 3rd day of June, 2026 at Tandag City, Surigao del Sur for whatever legal purpose it may serve.

FERMINA D. PALANGPANG
Provincial Treasurer

MARIA SHEILA P. BUHION, CPA
Provincial Accountant

LBP Form No. 9

STATEMENT OF SUPPLEMENTAL APPROPRIATION
General Fund
Supplemental Budget No. 02
Fiscal Year 2026

Surigao del Sur
Province

Implementing Office	*Particulars/Purpose*	*Object of Expenditures*	*Account Code*	*Amount*
PROVINCIAL GOVERNOR'S OFFICE	Executive Governance Program	*Other Personnel Benefits (Monetization)*	5-01-04-990	41,914.00
	Establishment & Operationalization of GAD Office	*Office Supplies Expenses*	5-02-03-010	18,000.00
		Water Expenses	5-02-04-010	4,400.00
		Electricity Expenses	5-02-04-020	9,600.00
		Internet Subscription Expenses	5-02-05-030	7,920.00
		Other General Services	5-02-12-990	90,080.00
		Other Maintenance & Operating Expenses	5-02-99-990	10,000.00
		Information & Communication Technology Equipment	1-07-05-030	130,000.00
	STRENTHENING GAD GOVERNANCE AND MONITORING & EVALUATION (M&E) (GAD)			
	- Conduct of Quarterly Meetings of GFPS, TWG, Secretariat	*Training Expenses*	5-02-02-010	30,000.00
	- Creation and Operations of GAD M&E Team	*Other Maintenance & Operating Expenses*	5-02-99-990	5,000.00
	CAPACITY BUILDING & ADVOCACY			
	- Conduct of Gender Sensitivity Training 101 cum GAD Laws	*Traveling Expenses*	5-02-01-010	170,000.00
	- Conduct of Year-End GAD Assessment vs. GPB 2026	*Traveling Expenses*	5-02-01-010	75,000.00
	- Attendance to GAD-related Trainings (PCW, NAPWPS)	*Traveling Expenses*	5-02-01-010	70,000.00
	- Support to Capacity Building of Lower LGUs	*Traveling Expenses*	5-02-01-010	30,000.00
	- Attendance to RGADC Quarterly Meetings (Butuan City)	*Traveling Expenses*	5-02-01-010	20,000.00
	NETWORKING & RECOGNITION (GAD)			
	- Province-wide GAD Forum for Focal Persons, MPDCs, Budget Officers	*Traveling Expenses*	5-02-01-010	100,000.00
	- Awarding of Top-5 GAD Performing LGUs	*Other Maintenance & Operating Expenses*	5-02-99-990	30,000.00
	Provincial Capitol Facilities Upgrade and Modernization Project (Procurement, Installation & Commissioning of 1 unit Generator Set for the Executive Building)	*Power Supply*	1-07-03-050	7,400,000.00
	Completion of Civil Service Commission Building (Additional Appropriation)	*Buildings*	1-07-04-010	1,000,000.00
	Rehabilitation and Retrofitting of the PESO Building Ground Floor for DMW and OWWA Offices	*Buildings*	1-07-04-010	2,000,000.00
	SUB TOTAL			**11,241,914.00**

PROVINCIAL LEGAL OFFICE	Legal Services Program	*Office Equipment*	1-07-05-020	**85,300.00**
PUBLIC EMPLOYMENT SERVICE OFFICE	Public Employment Service Administrative Management Program	*Other Maintenance & Operating Expenses*	5-02-99-990	**770,000.00**
PROVINCIAL TOURISM OFFICE	Tourism Development Program	*Other Personnel Benefits (Monetization)*	5-01-04-990	**113,479.51**
PROVINCIAL GOVERNOR'S OFFICE - WARDEN DIVISION	Inmate's Welfare and Development Program	*Motor Vehicle*	1-07-06-010	**400,000.00**
OFFICE OF THE SECRETARY TO SANGUNIANG PANLALAWIGAN	Legislative Secretariat Administration Program	*Other Personnel Benefits (Monetization)*	5-01-04-990	116,109.00
		Other General Services	5-02-12-990	220,000.00
	SUB TOTAL			**336,109.00**
PROVINCIAL VICE-GOVERNOR'S OFFICE	Legislative Program	*Other Personnel Benefits (Monetization)*	5-01-04-990	**575,778.00**
PROVINCIAL ADMINISTRATOR'S OFFICE	Management Administration Program	*Other Personnel Benefits (Monetization)*	5-01-04-990	**24,517.55**
PROVINCIAL BUDGET OFFICE	Budget Management Program	*Other Personnel Benefits (Monetization)*	5-01-04-990	**250,567.84**
PROVINCIAL PLANNING AND DEVELOPMENT OFFICE	Planning, Monitoring and Evaluation Program	*Other Personnel Benefits (Monetization)*	5-01-04-990	**580,298.00**
PROVINCIAL PROSECUTOR'S OFFICE	Investigation and Prosecution Program	*Other General Services*	5-02-12-990	**79,580.00**
PROVINCIAL DISASTER RISK REDUCTION MANAGEMENT OFFICE	**5% LDRRMF:**			
	PREPAREDNESS: Community Health Awareness & Protection Program	*Drugs & Medicines Supplies*	5-02-03-070	1,572,384.96
	RESPONSE: Support to the Emergency Responders Activation and Rapid Deployment Program	*Other Maintenance & Operating Expenses*	5-02-99-990	752,431.43
	SUB TOTAL			**2,324,816.39**
PROVINCIAL SOCIAL WELFARE AND DEVELOPMENT OFFICE	Social Welfare and Development Program	*Longevity Pay*	5-01-02-120	**94,903.00**
PROVINCIAL ENVIRONMENT & NATURAL RESOURCES OFFICE	Environmental Management and Development Program	*Other Maintenance & Operating Expenses*	5-02-99-990	221,634.55
		Other Personnel Benefits (Monetization)	5-01-04-990	240,000.00
	SUB TOTAL			**461,634.55**
PROVINCIAL AGRICULTURIST'S OFFICE	Agricultural Production Program	*Other Personnel Benefits (Monetization)*	5-01-04-990	**627,173.00**
PROVINCIAL HEALTH OFFICE	HEALTH SERVICE DELIVERY PROGRAM	*Terminal Leave Benefits*	5-01-04-030	872,330.00
	Special Purpose Appropriations: WATER ANALYSIS AND LABORATORY PROGRAM	*Other Maintenance & Operating Expenses*	5-02-99-990	550,000.00
	SUB TOTAL			**1,422,330.00**
CORTES MUNICIPAL HOSPITAL	**Special Purpose Appropriations:** Health Management Support Program	*Traveling Expenses*	5-02-01-010	100,000.00
		Training Expenses	5-02-02-010	100,000.00
		Medical, Dental and Laboratory Supplies Expenses	5-02-03-080	300,000.00
		Other Maintenance & Operating Expenses	5-02-99-990	427,865.86
		Other General Services	5-02-12-990	388,836.38
	SUB TOTAL			**1,316,702.24**

BISLIG DISTRICT HOSPITAL	Health Equipment Enhancement Program: Procurement of Anaesthesia Machine - LGU Counterpart Project	*Medical Equipment*	1-07-05-110	700,000.00
	Special Purpose Appropriations: a.) Health and Management Support Program	*Drugs & Medicines Supplies*	5-02-03-070	1,353,524.40
	b.) Health Facilities Enhancement Program: - Rehabilitation of Sewerage Treatment Plant (STP). **SPECIAL PROVISIONS:** **A. Rehabilitation of Sewerage Treatment Plant (STP).** The amount of Twenty Million Pesos (₱20,000,000.00) appropriated for the Rehabilitation of Sewerage Treatment Plant (STP) at Bislig District Hospital shall be funded from two distinct sources; Ten Million Pesos (₱10,000,000.00) from the General Fund Proper and Ten Million Pesos (₱10,000,000.00) from the Special Account of Bislig District Hospital , these funds are hereby authorized to be pooled and utilized exclusively for this single project to ensure the full implementation and completion of necessary improvements, with proper accounting and recording maintained separately for each fund source in compliance with existing rules and regulations. **B. Procurement of Anaesthesia Machine (PAGCOR Counterpart).** The amount of Seven Hundred Thousand Pesos (₱700,000.00) appropriated under the Health Equipment Enhancement Program for the Procurement of Anaesthesia Machine - LGU Counterpart Project at Bislig District Hospital is hereby authorized as the official local equity match for the PAGCOR Medical Equipment Donation Program. The Local Chief Executive is authorized to utilize this appropriation strictly in accordance with the term with PAGCOR, provided that the utilization of this equity share is in accordance with the budgeting, accounting and auditing rules and regulations.	*Other Structures*	1-07-04-990	20,000,000.00
	SUB TOTAL			**22,053,524.40**
HINATUAN DISTRICT HOSPITAL	**Special Purpose Appropriations:** Health Management Support Program	*Repair & Maintenance - Bldgs. & Other Structures*	5-02-13-040	460,089.73
		Other Maintenance & Operating Expenses	5-02-99-990-085	3,000,000.00
	SUB TOTAL			**3,460,089.73**
MADRID DISTRICT HOSPITAL	**Special Purpose Appropriations:** Health Management Support Program	*Other Maintenance & Operating Expenses*	5-02-99-990	**252,505.54**
MARIHATAG DISTRICT HOSPITAL	Medical Care and Health Program	*Other General Services*	5-02-12-990	47,454.61
	Special Purpose Appropriations: Health Management Support Program	*Other General Services*	5-02-12-990	3,500,000.00
		Other Maintenance & Operating Expenses	5-02-99-990	500,000.00
		Repair and Mainetenace - Bldg. and Other Structure	5-02-13-040	122,585.11
		Drugs & Medicines Supplies	5-02-03-070	500,000.00

IARIHATAG DISTRICT IOSPITAL	**Special Purpose Appropriations:** **a.)** Land Acquisition for Hospital Expansion/Lot Settlement: "Acquisition of land/lot settlement for Marihatag District Hospital".	*Land*	1-07-01-010	2,000,000.00
	b.) Hospital Fencing Phase I	*Other Structures*	1-07-04-990	3,000,000.00
	SUB TOTAL			**9,670,039.72**
LIANGA DISTRICT HOSPITAL	**Special Purpose Appropriations:**	*Training Expenses*	5-02-02-010	200,000.00
		Traveling Expenses	5-02-01-010	100,000.00
	Health Management Support Program	*Office Supplies Expenses*	5-02-03-010	100,000.00
		Food Supplies Expenses	5-02-03-050	1,000,000.00
		Drugs & Medicines Supplies	5-02-03-070	2,000,000.00
		Medical, Dental and Laboratory Supplies Expenses	5-02-03-080	1,000,000.00
		Gasoline, Oil and Lubricants Expenses	5-02-03-090	100,000.00
		Electricity Expenses	5-02-04-020	1,000,000.00
		Cable, Satellite, Telegraph and Radio Expenses	5-02-05-040	30,000.00
		Repair & Maintenance - Equipment/ Machineries	5-02-13-050	20,000.00
		Repair & Maintenance - Motor Vehicles	5-02-13-060	100,000.00
		Other General Services	5-02-12-990	8,000,000.00
		Other Maintenance & Operating Expenses	5-02-99-990	1,350,000.00
	SUB TOTAL			**15,000,000.00**
SAN MIGUEL COMMUNITY HOSPITAL	Medical Care and Health Program	*Other General Services*	5-02-12-990	477,631.25
	Special Purpose Appropriations:	*Training Expenses*	5-02-02-010	200,000.00
		Traveling Expenses	5-02-01-010	100,000.00
		Office Supplies Expenses	5-02-03-010	50,000.00
		Drugs & Medicines Supplies	5-02-03-070	1,000,000.00
	Health Management Support Program	*Other Supplies and Maintenance Expenses*	5-02-03-990	200,000.00
		Repair & Maintenance - Bldgs. & Other Structures	5-02-13-040	850,000.00
		Repair & Maintenance - Equipment/ Machineries	5-02-13-050	100,000.00
		Repair & Maintenance - Motor Vehicles	5-02-13-060	200,000.00
		Other General Services	5-02-12-990	1,000,000.00
		Other Maintenance & Operating Expenses	5-02-99-990	558,743.51
	SUB TOTAL			**4,736,374.76**

PROVINCIAL ENGINEERING OFFICE	Engineering and Infrastructure Management Program	*Other Personnel Benefits (Monetization)*	5-01-04-990	**20,975.00**
PROVINCIAL ACCOUNTANT'S OFFICE	Financial Accounting and Reporting Program	*Other Personnel Benefits (Monetization)*	5-01-04-990	**482,158.96**
	Total Supplemental Appropriations			**76,380,771.19**

Prepared by:

JOSE GREGG O. BANDOY
Provincial Budget Officer

Approved by:

MANUEL O. ALAMEDA, SR.
Acting Provincial Governor

REPUBLIC OF THE PHILIPPINES
Commission on Audit
REGIONAL OFFICE NO. XIII
PROVINCE OF SURIGAO DEL SUR
PROVINCIAL SATELLITE AUDITING OFFICE
San Agustin, Surigao del Sur

LOCAL GOVERNMENT AUDIT SECTOR
OFFICE OF THE SUPERVISING AUDITOR

May 19, 2026

Hon. MANUEL O. ALAMEDA, SR.
Acting Provincial Governor
Province of Surigao del Sur

Management Letter on the Compliance Audit on the allocation of the 5% Local Disaster Risk Reduction and Management Fund of the Provincial Government of Surigao del Sur, for the Period from 01 January 2025 to 31 December 2025

Dear Vice Governor Alameda:

1) We have audited the allocation of the Local Disaster Risk Reduction and Management Fund of the Provincial Government of Surigao del Sur, covering the period 01 January to 31 December 2025.

2) We conducted our compliance audit in accordance with the International Standards of Supreme Audit Institutions on compliance auditing (ISSAI 4000). Those standards require that we plan and perform the audit to obtain a reasonable basis for our conclusions.

3) The audit was conducted to ascertain compliance by the Provincial Government of Surigao del Sur with Republic Act No. 10121, or the "Philippine Disaster Risk Reduction and Management Act of 2010," promulgated on May 27, 2010, specifically Section 21, on the allocation of 5% LDRRMF.

4) Section 21 of the Republic Act (RA) No. 10121 states that:

"The present Local Calamity Fund shall henceforth be known as the Local Disaster Risk Reduction and Management Fund (LDRRMF). Not less than five percent (5%) of the estimated revenue from regular sources shall be set aside as the LDRRMF to support disaster risk management activities such as, but not limited to, pre-disaster preparedness programs including training, purchasing life-saving rescue equipment, supplies and medicines, for post-disaster activities, and for the payment of premiums on calamity insurance. The LDRRMC shall monitor and evaluate the use and disbursement of the LDRRMF based on the. LDRRMP as incorporated in the local development plans and annual work and financial plan. Upon the recommendation of the LDRRMO and approval of the sanggunian

concerned, the LDRRMC may transfer the said fund to support disaster risk reduction work of other LDRRMCs which are declared under state of calamity.

Of the amount appropriated for LDRRMF, thirty percent (30%) shall be allocated as Quick Response Fund (QRF) or stand-by fund for relief and recovery programs in order that situation and living conditions of people in communities or areas stricken by disasters, calamities, epidemics, or complex emergencies, may be normalized as quickly as possible.

Unexpended LDRRMF shall accrue to a special trust fund solely for the purpose of supporting disaster risk reduction and management activities of the LDRRMCs within the next five (5) years. Any such amount still not fully utilized after five (5) years shall revert back to the general fund and will be available for other social services to be identified by the local sanggunian."

5) By virtue of RA 10121, the Office of the Provincial Governor issued Executive Order No. 13, series of 2023, dated January 24, 2023, reconstituting the Provincial Disaster Risk Reduction and Management Council (PDRRMC) of the Provincial Government of Surigao del Sur, which remained in effect during CY 2025.

6) Likewise, the Sangguniang Panlalawigan enacted Appropriation Ordinance No. 140-24, dated November 19, 2024, authorizing the Annual Budget of the Provincial Government of Surigao del Sur for ₱2,711,152,299.00. Of this amount, ₱135,557,615.00 was allocated to priority programs, projects, and activities for Local Disaster Risk Reduction and Management.

7) Moreover, additional amounts were set aside for the 5% LDRRMF through supplemental budgets when the Sangguniang Panlalawigan enacted Appropriation Ordinance Nos. 158-25, 058-25, 014-25, and 023-25 dated June 3, 2025, September 3, 2025, October 21, 2025, and November 18, 2025, respectively. The table below presents the additional amounts appropriated for the 5% LDRRMF under the said supplemental budgets:

Supplemental Budget	Program/Project/Activity	Amount
SB No. 2	Drugs and Medicines	467,470.91
	Rehabilitation of Calambuayon Timber Bridge, Brgy. Libas Sud, San Miguel, Surigao del Sur- Road Network	1,215,020.94
SB No. 4	Improvement of Vicente Pimentel Multi-Purpose Hall and Provincial Evacuation Center	717,136.44
SB No. 5	Provision of Air Conditioning System for Surigao del Sur Evacuation Center	4,943,717.10
SB No. 6	Drugs and Medicines	35,000.00
Total		**7,378,345.39**

8) We wish to bring to your attention our audit observations and recommendations, which were communicated to the concerned officials of the Province of Surigao del Sur through the issuance of an Audit Observation Memorandum (AOM). Where appropriate, their responses were incorporated in this Management Letter (ML).

Basis for the Conclusion

9) As noted in the audit, the Provincial Government appropriately allocated not less than 5% of its estimated revenue from regular sources to the Local Disaster Risk Reduction and Management Fund (LDRRMF). A total of ₱135,557,615.00,

representing 5% of the total Annual Budget of ₱2,711,152,299.00, was allocated to the LDRRMF, in compliance with the prescribed funding requirement.

10) Of the total LDRRMF allocation, 30 percent, or ₱40,667,284.50, was set aside for the Quick Response Fund (QRF), intended for relief and recovery programs.

11) In addition, the unexpended LDRRMF of the Provincial Government for CY 2025 was transferred to a special trust fund to be utilized exclusively for disaster risk reduction and management activities within the next 5 years.

12) However, during the audit, it was also disclosed that the 5% LDRRMF was deficient by ₱752,431.43 due to the non-provision of the required allocation under Supplemental Budget No. 001. This affected the timely funding and implementation of other priority disaster-preparedness PPAs during the year.

Conclusion on the Subject Matter

13) Based on the audit work performed, with considerations to materiality of the matter noted in the Basis for the Conclusion paragraph above, the allocation of the Local Disaster Risk Reduction and Management Fund of the Provincial Government of Surigao del Sur for the period from 01 January 2025 to 31 December 2025, is compliant, in all material respects, with Section 21 of the Republic Act (RA) No. 10121, also known as the Philippine Disaster Risk Reduction and Management Act of 2010.

Detailed Observations and Recommendations

The 5% Local Disaster Risk Reduction and Management Fund (LDRRMF) allocation for CY 2025 was deficient by ₱752,431.43 due to the non-provision of the required allocation under Supplemental Budget No. 001, which is not in accordance with Section 21 of RA 10121 and Section 4.0 of COA Circular No. 2012-002, thus affecting the timely funding and implementation of other priority disaster preparedness PPAs during the year.

14) Section 21 of RA 10121 provides:

"Local Disaster Risk Reduction and Management Fund (LDRRMF). - The present Local Calamity Fund shall henceforth be known as the Local Disaster Risk Reduction and Management Fund (LDRRMF). ***Not less than five percent (5%) of the estimated revenue from regular sources*** *shall be set aside as the LDRRMF to support disaster risk management activities such as, but not limited to, pre-disaster preparedness programs including training, purchasing life-saving rescue equipment, supplies and medicines, for post-disaster activities, and for the payment of premiums on calamity insurance. The LDRRMC shall monitor and evaluate the use and disbursement of the LDRRMF based on the. LDRRMP as incorporated in the local development plans and annual work and financial plan. Upon the recommendation of the LDRRMO and approval of the sanggunian concerned, the LDRRMC may transfer the said fund to support disaster risk reduction work of other LDRRMCs which are declared under state of calamity."*

15) Likewise, Section 4.0 of COA Circular No. 2012-002 states:

4.0 Sources and Allocation of LDRRMF

4.1 The LDRRMF shall be sourced from:

4.1.1 <u>Not less than 5% of the estimated revenues from regular sources of the LGUs;</u>

4.1.2 The unexpended balance of the LDRRMF in the preceding years within the five-year validity period of the Special Trust Fund;

4.1.3 Funds transferred from the NDRRMF upon approval of the President; and

4.1.4 Funds received from other LGUs and other sources.

16) We reviewed the Annual Budget for CY 2025 to check the Provincial Government's compliance with the statutory requirement to allocate at least 5% of its estimated revenue from regular sources to the Local Disaster Risk Reduction and Management Fund (LDRRMF). Our review disclosed that an appropriation totaling ₱135,557,615.00 was provided for disaster risk reduction and management programs and activities, representing 5% of the Province's estimated regular income of ₱2,711,152,299.

17) Moreover, during the year, the Provincial Government enacted six (6) Appropriation Ordinances corresponding to Supplemental Budget Nos. 1 to 6. The details are shown below:

Particular	Amount Allocated for 5% LDRRMF	Should be Amount	Difference
Appropriation Ordinance No. 151-25 dated February 25, 2025 ***(Supplemental Budget 1)*** Share from the National Wealth – 8,783,369.51; Surplus – 6,265,259.05	0.00	752,431.43	[illegible]
Appropriation Ordinance No. 158-25 dated June 3, 2025 ***(Supplemental Budget 2)*** Share from the National Wealth – 24,300,418.75 Surplus – 9,349,418.16	1,682,491.85	1,682,491.85	0.00
Appropriation Ordinance No. 06-25 dated August 26, 2025 ***(Supplemental Budget 3)***	0.00	0.00	0.00
Appropriation Ordinance No. 08-25 dated September 23, 2025 ***(Supplemental Budget 4)*** Share from the National Wealth – 14,342,728.73	717,136.44	717,136.44	0.00
Appropriation Ordinance No. 14-25 dated October 21, 2025 ***(Supplemental Budget 5)*** Share from the National Wealth – 98,874,342.09	4,943,717.11	4,943,717.11	0.00

Particular	Amount Allocated for 5% LDRRMF	Should be Amount	Difference
Appropriation Ordinance No. 23-25 dated November 18, 2025 ***(Supplemental Budget 6)*** New revenue source – 700,000.00	35,000.00	35,000.00	0.00
Total			**752,431.43**

18) As shown in the table above, Supplemental Budget No. 1 included total income from regular sources amounting to ₱15,048,628.56. However, no corresponding appropriation of ₱752,431.43 was provided for the mandatory 5% LDRRMF. The surplus resulted from the Province's excess collections from the Hinatuan District Hospital and the San Miguel Community Hospital. Furthermore, the Share from National Wealth, which the DBM classified as regular income, should have been included in the computation of the 5% LDRRMF and subjected to the applicable budgetary requirements.

19) Upon inquiry with the Provincial Budget Office (PBO), the Supervising Administrative Officer (SAO) acknowledged the noted deficiencies. She explained that the Office inadvertently overlooked to allocate 5% of the ₱6,265,259.05 excess collections for the LDRRMF in the preparation of Supplemental Budget No. 1 (SB No. 1). She further stated that they knew the classification of the Share from National Wealth as regular income only upon receipt of the DBM budget review dated April 21, 2025. Hence, the total amount of ₱8,783,369.51 was likewise not considered in the computation and allocation of the required 5% LDRRMF under SB No. 1.

20) We acknowledge the justifications given by the SAO. However, the Audit Team would like to emphasize the above-stated provisions on the required LDRRMF allocation to support disaster risk and management activities. The Provincial Budget Office should have properly computed the required 5% allocation based on the excess collections. Moreover, it should have thoroughly evaluated the nature and classification of all income sources before finalizing any supplemental budget to ensure that all statutory allocations, including the mandatory 5% LDRRMF, were correctly computed and provided. Besides, the PBO had prior knowledge of the Province's recurring receipt of such shares, which should have been considered in budget preparation.

21) As discussed above, the Province did not comply with the mandatory 5% allocation for the LDRRMF. Consequently, this resulted not only in non-compliance with the above-cited provisions but also in underfunding of ₱752,431.43 that could have been used to implement other disaster risk reduction and management priority programs and activities.

22) **We recommended that the Management direct the Provincial Budget Officer to:**

22.1.1 Properly compute the 5% LDRRMF allocations to ensure that no mandatory provision is overlooked. Additionally, exercise due diligence in reviewing and accurately classifying all income sources

before the preparation and finalization of any supplemental budget; and

22.1.2 Ensure full compliance with the statutory 5% LDRRMF requirement in all future budgets to prevent underfunding and guarantee adequate resources for approved disaster risk reduction and management programs.

Management Comment(s):

23) The Provincial Budget Officer committed to fully comply with the recommendations and to ensure the proper allocation and utilization of the Local Disaster Risk Reduction and Management Fund (LDRRMF) in the future.

Status of Implementation of Prior Year's Audit Recommendations

24) No compliance audit was conducted in the prior year on the same subject matter; hence, there is no data for this section.

Acknowledgment

25) We would like to express our appreciation to the Management and staff of the Provincial Government of Surigao del Sur for the cooperation and assistance provided to our Audit Team during the audit.

26) We request that the appropriate actions be undertaken on our audit recommendations and that we be informed of the actions taken thereon by accomplishing the attached Agency Action Plan and Status of Implementation (AAPSI) form *(See attached Annex D)* and submitting it to us (in hard and electronic copies) within 60 days from the receipt hereof.

Very truly yours,

COMMISSION ON AUDIT

By:

VIRGENITA T. OTAGAN
State Auditor V
Supervising Auditor