

CALLING UPON GOVERNMENT BUDGET ADMINISTRATORS TO HELP IN THE FURTHER IMPROVEMENT OF THE BUDGET PROCESS

LETTER OF INSTRUCTIONS NO. 638, December 13, 1977

Read online (full-text search, related cases, audio case brief): <https://batas.org/library/9d48677655ec/>

TO:

Budget Administrators of Government

WHEREAS, some gaps still exist in the implementation of approved policies and approaches in national fiscal administration;

WHEREAS, the attainment of a budget system that is fully supportive of the national plan as approved under P.D. No. 1200, requires total effort from all persons in the budget field;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines do hereby issue the following instructions:

- Budget officers of all agencies of the National Government shall:
- evaluate the operations of their respective agencies for the purpose of identifying (1) new sources of non-tax revenues so as to increase General Fund income and thus augment the limited resources now available to government and (2) ways of increasing existing non-tax revenue sources;
- develop a long-term organization plan for their respective agencies, working hand in hand with agency management analysts, in preparation for the type of government organization outlined in the approved long-term development plan;
- suggest the components of a long term compensation plan that will ultimately rationalize existing disparities of compensation in the public and private sectors and among different positions in the national and local governments, keeping in mind the limited funds available to government and the targeted levels of government expenditure included in the national development plan;
- identify specific priority activities within each agency's budgetary programs and projects, representing the implementation of the national development plan, and including activities financed by foreign and domestic borrowings, peso requirements of foreign-assisted projects, agency participation in Regional development activities, agency activities undertaken as part of multi-agency undertakings, sequential implementation of continuing long term projects, and other activities that call for similarly continuous monitoring and special budgetary treatment;
- incorporate in the budget preparation process those activities that are proposed to be financed by borrowings, both foreign and domestic, consistent with standing policy for a national resource budget that incorporates all expenditures regardless of financing source. Planning and budget officers of agencies shall work together in the identification of projects and the preparation of project studies and of work and financial plans pertaining to these projects, for the purpose of preparing an annual national debt program, including activities requiring full or partial

financing from project borrowings and a schedule of cash flows during project construction and operation;

- identify ways and means of expediting regional budgeting as directed under LOI 447 and 448, notably the identification of authority and responsibility in budget preparation, execution and accountability which need to be delegated to regional offices; and
- study existing work measurement units of agency programs and projects, for purposes of identifying those units of work that are more suitable for performance budgeting and evaluation and for use as decision packages in the implementation of a zero-base budgeting approach.
- Budget officers of local government units, working together with planning officers, shall develop a system and procedure for the identification, development and feasibility evaluation of local projects being proposed for national budget support.
- The results of the work of budget officers performed under these instructions shall be collated in accordance with such procedure as may be found by them to be expeditious and shall be submitted to the President through the Commissioner of the Budget within ninety (90) days from date hereof.

Done in the City of Manila, this 13th day of December, in the year of Our Lord, nineteen hundred and seventy-seven.

(Sgd.) FERDINAND E. MARCOS
President of the Philippines

ABOUT BATAS.ORG

Study smarter at BATAS.org

The Philippine bar review and law-school companion built around how your brain actually remembers.

The complete Philippine law library - free for everyone.

More than 100,000 Supreme Court decisions, Republic Acts, and executive issuances - full-text searchable, browsable by category and year, and always free. No paywall, no login. This PDF came from it.

Audio case-brief lectures.

Any decision becomes a podcast-style lecture - facts, issues, ruling, and doctrine - with read-along highlighting and a hands-free presentation mode. Study while commuting, working out, or resting your eyes.

Bar review built on the science of memory.

Complete, sequenced courses for all eight bar subjects, narrated like podcasts and reinforced with retrieval practice and spaced review - the study techniques with the strongest evidence behind them.

The full law-school curriculum.

One subscription unlocks the entire J.D. curriculum - every subject, every lesson, with your progress tracked down to the paragraph so you can pick up exactly where you left off, on any device.

Mock exams that tell you where you stand.

Timed multiple-choice exams graded instantly, with per-subject score breakdowns and focus suggestions that point you at your weakest topics first.

A study planner that keeps you on pace.

Set your schedule and BATAS tells you every day whether you are on track for bar day - and exactly which lesson to take next.

Start free at <https://batas.org>

The law library is free forever - and your first lesson is one click away.

The text of this document is an official public record and remains in the public domain. Formatting, presentation, and compilation © 2026 batas.org.

Downloaded free from the batas.org Law Library. Share it freely - the library is free for every law student, bar reviewee, and practitioner.