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Republic of the Philippines
Province of Cagayan
City of Tuguegarao
Barangay CAGGAY

OFFICE OF THE PUNONG BARANGAY

JANUARY 26, 2026

TO: JOEL JOSEPH L. EGIPTO, PH.D
City Secretary
Tuguegarao City, Cagayan

Sir;

I am submitting herewith the 20 copies Barangay Revenue Code CY 2025 of Barangay CAGGAY for approval.

Hoping for your favorable action on this matter.

Yours truly,

ANTHONY S. COMILLAS
Punong Barangay

09958396505

REVENUE CODE OF BARANGAY CAGGAY

ORDINANCE NO.16-2025

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Republic of the Philippines
Province of Cagayan
City of Tuguegarao
Barangay **CAGGAY**

OFFICE OF THE SANGGUNIANG BARANGAY

REVENUE CODE OF BARANGAY CAGGAY, TUGUEGARAO CITY, PROVINCE OF CAGAYAN

ORDINANCE NO.16-2025

Be it enected by the Sangguniang Barangay, that:

SECTION I. TITLE
This ordinance shall be entitled: **"BARANGAY CAGGAY 2025 REVENUE CODE"**

SECTION II. SCOPE
This ordinance shall govern the exercise of the taxing and other revenue-raising power of all barangay in the City of Tuguegarao.

SECTION III. DEFINITION OF TERMS.
As used in this ordinance, the following terms shall be construed to mean as follows:

A. **Taxes** - a compulsion contribution levied upon a person, property or business for the support of government.

B. **Fees** - a charge fixed by law for services of public officers for the use of privileges under control of government.

C. **Charges** – income derived by the barangay LGU in its proprietary functions such as market stall rentals, medical and dental charges, garbage collection, transportation fares and sale of goods.

D. **Wholesale** - sale where the purchaser buys the commodities for resale regardless of the quantity of the commodity sold.

E. **Retail** – sale where the purchaser buys the commodity for his own consumption irrespective of the quantity of the commodity sold.

F. **Amusement Places** – are establishments devolved to pleasurable diversion and entertainment such as videoke bars, billiards other activities for fun and pastime.

SECTION IV. RULE OF CONSTRUCTION.
All provisions of this ordinance shall be literally constructed in favor of the taxpayers and strictly against the Barangay LGUs.

SECTION V. EXERCISE OF TAXING POWER
The local Government Code in its provision for the regulatory power of the barangays, states that the power of the barangays to levy taxes, impose fees and charges and raise revenues shall be exercised though the Sangguniang Barangay Subject to the limitations prescribed by law.

SECTION VI. TAX ORDINANCE DEFINED

Tax Ordinance is an enforced contribution, usually monetary in form, levied by the law-making body on persons and property subject to its jurisdiction for the precise purpose of supporting government needs.

SECTION VII. IMPOSITION OF TAX

There is hereby imposed on the following persons unto establish, operate, conduct or maintain their respective business within the barangay a business tax on stores or retailers with gross sales or receipt of the preceding calendar year of Fifty Thousand Pesos (50,000.00) or less at a rate not exceeding one percent (1%) on gross sales of receipts of the preceding year.

SECTION VIII. REGULATORY FEES AND CHARGES ARE HEREBY IMPOSED ON THE FOLLOWING:

A. **Barangay Clearance for any activity/ business activity located in the Barangay:**

- Sari-Sari Store ——— ₱1,000.00
- Gasoline Station ——— ₱1,000.00
- Hotels ——— ₱1,000.00
- Lending Institutions ——— ₱1,000.00
- Water Refilling Stations ——— ₱1,000.00
- Billiards (per table) ——— ₱1,000.00
- Video Bars ——— ₱1,000.00
- Computer Shops ——— ₱1,000.00
- Boarding House/Apartments/Dormitories ——— ₱1,000.00
- Funeral Homes ——— ₱1,000.00
- Restaurants/Panciteria/Eatery ——— ₱1,000.00
- Bus Terminals ——— ₱1,000.00
- other Commercial Establishments ——— ₱1,000.00
- Building Permit ——— ₱ 250.00

B. **The following fees shall be collected from individuals securing Barangay Certificates:**

- Barangay Certification for Tricycle Franchise ——— ₱ 70.00
- Barangay Certification for Enrollment ——— ₱ 70.00
- Barangay Certification for Transporting Furniture, Fixtures, cattle, etc. ₱ 70.00
- Barangay Certification for Local Employment ——— ₱ 70.00
- Barangay Certification for Employment or Travel Abroad ——— ₱ 70.00
- Barangay Certification for Driver's License or Student Permit ——— ₱ 70.00
- Barangay Certification for BIR ——— ₱ 70.00
- Barangay Certification for Loans ——— ₱ 70.00
- Barangay Certification for Vehicle Purchase ——— ₱ 70.00
- Barangay Certification for Gun License / Permit ——— ₱ 70.00
- Barangay Certification for Demolition Permit ——— ₱ 70.00
- Barangay Certification for Police Clearance ——— ₱ 70.00
- Barangay Certification for Application for electric/water connection ₱ 70.00
- Barangay Certification for Application for Products Dealership ——— ₱ 70.00
- Barangay Certification for NBI ——— ₱ 70.00
- Barangay Certification for Retirement in Gov't or Private Service ₱ 70.00
- Barangay Certification for Postal I.D. ——— ₱ 70.00
- Barangay Certification for Other Purposes ——— ₱ 70.00
- Certification to File Action ——— ₱ 70.00
- Certification of Indigency ——— **NO CHARGE**

SECTION IX. TIME AND MANNER OF PAYMENT

The tax, fees and charges shall be paid to the Barangay Treasurer or Authorized Representative at the time of the request, written or otherwise, for the issuance of the Barangay Clearance and Barangay Certification. An official receipt shall be issued by the Barangay Ttreasurer or Authorized Representative to the payor as evidence of payment.

SECTION X. PENAL PROVISIONS

Violators of this Ordinance shall be penalized as follows:

A surcharge of 12% per annum shall be imposed on violations of Section VII and VIII - A of this Ordinance.

SECTION XI. Effectivity

This Ordinance shall take effect on January 1, 2026.

Unanimously approved this 6th day of November 2025 at Caggay, Tuguegarao City, Cagayan.

Certified Correct:

JACQUELYN M. CAMARAO
Barangay Secretary

Approved By:

ANTHONY S. COMILLAS
Punong Barangay

WE THE UNDERSIGNED members of the Barangay Council hereby certify that the foregoing is a true copy submitted, sponsored and adopted by the Barangay Council of Caggay and taken in the minutes of the regular session on November 6, 2025 at Caggay, Tuguegarao City, Cagayan.

KAG. VITO G. AUAYANG

KAG. JONATHAN D. AQUINO

KAG. ROMEL D. OÑATE

KAG. ALBERTO A. CALUBAQUIB

KAG. RAMIL B. CALUBAQUIB

KAG. ARNOLD M. SEGURO

KAG. IRINEO S. SIBBALUCA

SK CHAIR KRYSHA KAYE L. TAMAYAO

Republic of the Philippines
Province of Cagayan
City of Tuguegarao
Barangay CAGGAY

OFFICE OF THE BARANGAY COUNCIL

EXCERPTS FROM THE MINUTES OF THE MEETING ON PUBLIC HEARING DURING THE BARANGAY ASSEMBLY HELD ON OCTOBER 25, 2025 AT 8:30 IN THE MORNING AT GYMNASIUM BARANGAY CAGGAY, TUGUEGARAO CITY, CAGAYAN.

SUGJECT: increasing the fees for the Barangay Tax Ordinance No.14 Series of 2019 which was approved by the members of the Sangguniang Panglunsod dated December 9, 2019 re: City Resolution 2020 Approving the Barangay Ordinance No. 14-2019 Titled: "AN ORDINANCE ENACTING THE REVENUE CODEOF BARANGAY CAGGAY, TUGUEGARAO CITY, PROVINCE OF CAGAYAN.

There were 93 attendees of Barangay Constituents and Business Owners who were present;

Punong Barangay Anthony S. Comillas briefly discussed the upgrading of the Tax Ordinance. The following fees to be collected from the business owners were increase for year 2026.

During the public hearing there were no objection from the business owners and also with the constituents in the barangay during the presentation of the fees to be collected by the barangay and also with the residents of the barangay who also will secure their barangay certifications.

Therefore, the increase of the Barangay Tax Ordinance of Barangay Caggay is approved and reviewed by the Barangay Council.

Adjourned at 10:33 am.

I HEREBY CERTIFY TO THE CORRECTNESS OF THE FOREGOING:

Jacquelyn M. Camarao
Barangay Secretary

Annex F

BAGONG PILIPINAS

Republic of the Philippines
Province of Cagayan
City/Municipality of Tuguegarao
Barangay Caggay

BARANGAY ASSEMBLY DAY 2nd Semester- CY 2025
ATTENDANCE

Venue: Caggay Gymnasium
Date: October 25, 2025 @ 8:30 am

Name	Sex (Please check the appropriate column)			Age	Contact/ Mobile Number
	Male	Female	Nonbinary[1]		
1. Lilibeth G. Linay		✓		56	09971279364
2. EUGENIA CAMPAÑUEB		✓		85	0991
3. ERLINDA SIMANGAN		✓		75	
4. AMPARO SILVA		✓		72	09658701713
5. Jessa Dalmay		✓		63	09262318072
6. Wilma T. Mallillin		✓		68	09057869328
7. Romena D. Lopez		✓		68	09178386618
8. Lolita Lorenzo		✓		72	09278770725
9. LOURDES HARIS.		✓		70	09554063941
10. Adoracion A. Bungao		✓		66	0955-821-3277
11. Cielo D. Quinagoran		✓		71	
12. ESTRELLA. A. CABADDU		✓		82	09269710604
13. Elena M. Tamayo		✓		75	09358223634
14. Teresita L. Sibal		✓		83	0927-400-2864
15. Amelia M. Calimag		✓		68	09063674119
16. Anita M. Bayabey		✓		72	
17. Constancia S. Tuquero		✓		77	
18. Arnan Payad		✓		43	09171226310
19. PCpl Cherry Tabayan		✓		39	09318860200
20. Jehnelyn C. Cusipag		✓		42	09355463449
21. Analiza Cusipag		✓		45	09053621339
22. MARILYN CLEMENCIA		✓		46	09533509450

[1] ***Nonbinary*** *is a term that can be used by people who do not describe themselves or their genders as fitting into the categories of man or woman.*

				Age	CP Number
23. Clarita O. Calumpit					
24. Angelita C. Laquihe					
25. Nedelita J. Magno					
26. ELIZABETH P TORRECAMPO	Purok	2			
27. Reymalyn V. Langcay	Purok	7		41	09368460579
28. Josefina S. Tapawan	Purok	7		61	09755499417
29. Monica T. Angeles				83	09575539415
30. Socorro C. Calumpit				72	
31. MELBA TUNGCUL				59	
32. Gaudencio Calumpit	Purok	2		75	09753707005
33. Rolando S. Pascual	Purok	2		67	
34. JOSEPHINE C. LIBAN				61	0955-665-2389
35. DAISY F. GACIAS				66	09774496259
36. JULITA V. BATTUNG				53	09251321192
37. TERESITA ABANIA				66	
38. Mario Mallillin				58	
39. GLADYS D. TAGUONG				39	09600685615
40. Jenalyn A. Calinog				40	09680735525
41. Anne Marjorie M. Chavez				38	09666111236
42. Aida M. Payawal				53	
43. Rodelyn B. Monato				33	09976917039
44. Julie C Calebag				57	09695604168
45. Adoracion Compean				75	
46. NONATO REYNOSO				69	09163731914
47. Rogelio Suaya				75	
48. Marcelo A. Calumpiano				63	09175100783
49. Gina S. Pugyan	PRK	7	09051623432	52	
50. DELIA B. QUINAGORAN	PRK	5		70	09355749464
51. Anne Aeni LAK				52	09663323090
52. Beating C. Cusipag				65	09959874133
53. Irene A. Maleniejo				51	09972116969
54. Brendalyn G. De La Cruz				41	0926-5229178
55. PATRICIA BAHIAMO				33	
56 RODOLFO A. MIRABUENO				65	09539095983
57. Eduardo T Culangan				65	09219122900
Edna M Culangan				59	09160321
Emerson T Culangan				15	09354250442
BERNIE L. BALLESTEROS				66	09537421057
Mabini Polinero					
Mary Jane D. Paquioag				44	09153985753
Jasmin D. Paquioag				15	
Angelina C. Nicolasora				64	

NAME				KG	CP. #
Rosita E. Caronan				70	09557994332
Jhenievie D. Bautista				16	09067630039
CHARIS ARAGO				27	09264506213
Lenaida Perito				52	
Jeanallene Calagan				42	09538560173
Josephine C. Taquino				37	09556693602
Judith A Baltuna				37	09353519295
Jayson Otorga				30	09554004897
Kennean Alowa				26	09062920
JOHNNY BARAL MANZANO				56	
[illegible]				23	09[illegible]35
[illegible]				25	09[illegible]00
[illegible]				28	09173030809
Jacklyn Nalam				39	09531022702
Catherine Tamayao				42	09652347881
Lourdes D. Andal				52	
Judith A. Cuadero				49	09564733452
Hazel A Escoban				31	09658253522
ROGEN JOICE A. GUILLERMO				28	09750921640
Esperanza Ballesteros				30	09559487289
Judy ann Tumacay				27	09559487289
Haidielyn Postigo				56	
Manfes Mallabo				26	09265816[illegible]
Maria Luisa T. Rosendo				40	09350403[illegible]69
Fatima P. Batang				48	09359177605
MELCHOR C. CAGUIOA JR.				49	09535918692
Lina Martinez				49	09553852[illegible]83
Victor Magora				50	09[illegible]59[illegible]
[illegible]				41	[illegible]

TOTAL 93					

Prepared by:

Barangay Secretary

Noted by:

Punong Barangay

STANDARD COSTING FRAMEWORK

STEP 1: Map the Process Flow

STEP 2: Identify the Resource Requirements for Each Regulatory Activity, Service or Function

STEP 3: Classify Each Activity as "Routine" or "Special"

STEP 4: Identify and Quantify the Variable Costs for the Routine Activities

STEP 5: Allocate the Variable Cost for Special Activities

STEP 6: Estimate and Distribute the Fixed Costs

STEP 7: Compare and Analyze the Results with the Current Rates

General Instructions:

White boxes cells shall not be edited or moved.

Yellow cells shall be the only cells where the user can edit or input the necessary data.

Blue cells signify the steps in the Toolkit.

STEP 1: MAP YOUR PROCESS FLOW

Note:
- A flowchart is a picture of the separate steps involved in a given process, presented in sequential order.
- Particularly helpful in analyzing and identifying areas for improvement by showing inefficiencies in the system.
- Also, it is useful in costing analysis.
- For this template, it is not necessary to use the various diagrams and boxes normally used in process flowcharts.
- Suggested Source: Citizen's Charter or the duly authorized process flow of the concerned office (for standard procedure)

Instructions in Filling the Form

1 Discuss and decide on the boundaries of your process.
   * Where or when does the process start? Where or when does it end?
2 Arrange and document the activities in proper sequence.

Table 1:

	LIST OF ACTIVITIES	
1	Receives request/application	
2	Verifies correctness and accuracy of submitted information	
3	Prepare Barangay Certification	
4	Receives the payment of fees or charges	*
5	Releases the Barangay Certification	*
		*
		*

STEP 2: IDENTIFY THE RESOURCES FOR EACH ACTIVITY

Instructions in Filling the Form

1 Identify the offices and all key people involved with each activity. Identify official position.
   * **For standardization, base the information on the Citizen's Charter or the duly authorized process flow for standard procedure.**
   * This includes those who do the work in the process: suppliers, customers and supervisors.
2 List down the materials and resources utilized in each stage.

Table 2:

	ACTIVITY	PERSONNEL	SUPPLY/MATERIAL
1	Receives request/application	Barangay Secretary	Logbook
2	Verifies correctness and accuracy of submitted information	Barangay Secretary	
3	Prepares the Barangay certification	Barangay Secretary	Computer/printer/ink/bond paper
4	Receives the payment of fees or charges	Barangay Treasurer	Official Receipt
5	Releases the Barangay Certification	Barangay Secretary	

STEP 3: CLASSIFY ACTIVITIES INTO "ROUTINE" AND "SPECIAL"

Instructions in Filling the Form

1 Classify the activities into whether they are:

* Routine(same procedure and effort for each applicant)
* Special (usually the vital part of the process and varies according to the type and/or complexity of the business of the applicant)

Note: It is highly suggested to identify one (1) special step.

- However, it can be two (2) or more. In that case, it will have an impact on the weight of the Special Variable Component.
- It may also yield that there is no special step in the whole process. In that case, the normal costing procedure is applicable and the computation will not involve a Special Variable Component.

Table 3:

	ACTIVITY	PERSONNEL	SUPPLY/MATERIAL	TYPE OF ACTIVITY
1	Receives request/application	Barangay Secretary	Logbook/ballpen	Routine
2	Verifies correctness and accuracy of submitted information	Barangay Secretary		Routine
3	Prepares the Barangay Certification	Barangay Secretary	Logbook/bond paper/ink (printer)	Routine
4	Receives the payment of fees or charges	Barangay Treasurer	Official Receipt/ballpen	Routine
5	Releases the Barangay Certification	Barangay Secretary	Logbook/bond paper/ink (printer)	Routine

STEP 4. QUANTIFY THE VARIABLE COST FOR ROUTINE ACTIVITIES

STEP 4.A PERSONNEL COSTS

Instructions in Filling Up the Form

Column 1- Base it on the staff identified as directly involved in the Routine Activities of the subject service. The actual number may be obtained from the Citizen's Charter or authorized office process flow, including the list of contractual positions for the particular service/s being rendered.

Column 2 - Match the salary grade for each staff. The salary grade data will be available at the Citizen's Charter, HR, Accounting, or Budget Office of the City.

Column 3 - Fill out the salary rate per month for each staff. The salary rates per month may be obtained from HR, Accounting, or Budget offices of the LGU.

Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months

Column 5. Identify all other remunerations regularly received by the staff. Data will be available at the City Budget or Accounting Department. In case data will not be readily available, other benefits can be represented by computing 20% of the annual salary.

Column 6. Sum up columns 4 and 5, and multiply it by 80%. The 20%covers lag time usually allotted to attendance in seminars/trainings, leaves, and other admin activities not related to the service. LGUs may also devise other method to determine the annual % of time assigned in the delivery of subject service, exclusive of lag time.

Column 7. Approximate the annual percentage of time each staff performs the task directly related to the activity. Data shall be provided by the head of units performing the service, e.g., if exclusively doing such task, then put 100%.

Column 8. Get the total personnel cost attributable to Routine Activities by adding the cost for each staff involved in delivering the service.

Table 4: Personnel Cost

Name and Position					% Time assigned in the delivery of the Subject Service	Annual Cost of the Service
	Monthly Salary	Annual Salary	Other Benefits	Annual Compensation		
(col 1)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
ANTHONY S. COMILLAS	20,700.00	248,400.00	51,400.00	299,800.00	5.00%	14,990.00
JACQUELYN M. CAMARAO	15,200.00	182,400.00	40,400.00	222,800.00	5.00%	11,140.00
HAZELINA C. MIRABUENO	15,200.00	182,400.00	40,400.00	222,800.00	5.00%	11,140.00
					TOTAL	37,270.00

STEP 4.B COST OF TRANSPORTATION

Instructions in Filling the Form

Column 1. Identify the vehicles used for inspection

Column 2. Identify the number of vehicles used for inspection.

Column 3. Verify unit cost of vehicle

Column 4. Determine the total cost by multiplying columns 2 and 3

Column 5. Apply the depreciation rate (Note: Economic life of a vehicle is 10 years)

Column 6. Compute for the annual depreciation cost by multiplying columns 4 and 5.

Column 7. Verify from the City Accounting Office the actual amount spent for maintenance of the vehicle used for inspection. In the absence of actual data, the amount can be 20%.

Column 8. Determine the percentage of use of the vehicle. In the specific case sample, half day use from February to November is 44/52 weeks x .5 days

Column 9. Compute the cost of vehicle for inspection by adding columns 6 and 7 then multiply the percentage of use in column 8.

Table 5:

Variable Cost - Vehicle

List of Vehicle/s	Number of Vehicles	Unit Cost	Total Cost	Depreciation Rate/Year	Annual Depreciation Cost	Maintenance cost	Percentage of use for inspection per week
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
						TOTAL	

Instructions in Filling the Form

Column 1. Identify the vehicles used for inspection

Column 2. Identify the number of vehicles used for inspection

Column 3. Verify unit cost of fuel per liter

Column 4. Check the average weekly consumption in liters

Column 5. There are 52 weeks in one year. Identify the number of weeks the vehicles(s) has been used in a year.

Column 6. Compute for annual cost of fuel for 1 year by multiplying columns 2, 3, 4 and 5.

Column 7. Determine the percentage for the frequency of use of the vehicle for inspection. In the specific case sample, half day use from February to November is 44/52 weeks X .5 days. Note that the LGUs may devise other method to determine

Column 8. Compute the cost of fuel for inspection activities by multiplying columns 6 and 7.

Table 6:

Variable Cost - Fuel

List of vehicle/s	Number of Vehicles	Average Cost per liter	Ave. weekly consumption in liters	Number of weeks in one year	Annual Cost of fuel for the vehicle	Percentage of use for inspection per week	Annual cost for Fuel for inspection
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
						TOTAL	-

STEP 4.C OTHER VARIABLE COSTS

Instructions in Filling the Form

Column 1. List down the supplies, materials and other resources which are issued to each applicant or varies directly with the number of applicants.

Column 2. Count all filled application forms, schedule slips, results forms, etc., and those issued with official receipts. Consider if applicants were successfully processed and approved, and provided with new business plate, stickers and/or certificates.

Column 3. Secure the unit cost for each and every item identified as other variable cost from the City Accounting Office.

Column 4. Compute for the annual other variable cost by multiplying column 2 and column 3

Table 8:

Variable Cost - Other variable cost

Particulars	Annual Number of Applications	Cost/Measuring unit (Php)	Annual cost (Php)
(col 1)	(col 2)	(col 3)	(col 4)
Application form	1,500		
Request Slip	1,500	5.00	7,500.00
Report Form	1,500	10.00	15,000.00
Official Receipts	1,500	3.20	4,800.00
		TOTAL	27,300.00

Instructions for Filling Up the Form

Column 1 - List all identified variable costs.
Column 2 - Fill up the variable costs for the "Subject Service" and reflect the sum of all entries of each cell to total
Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Variable Cost Per Application.

Table 9:

Summary Table- Variable Costs		
	Total	**Estimated Routine Variable Cost Per Application**
Annual Number of Applications	**1,500.00**	
Variable Costs		
Routine Personnel	**37,270.00**	**24.85**
Transportation Costs	**-**	**-**
Other Supplies/Forms/Materials	**27,300.00**	**18.20**
TOTAL	**64,570.00**	**43.05**

STEP 5. ALLOCATE THE VARIABLE COST FOR SPECIAL ACTIVITIES

Name and position	Monthly Salary	Annual Salary	Other compensation	Total Annual Compensation	% Time allocated for the service	Annual cost of service for inspection
(col 1)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
						-
						-
						-
					TOTAL	-

Instructions in Filling the Form

Column 1- List the staff assigned to the "Special" Activity/ies.

Column 2 - Match the salary grade for each staff

Column 3 - Fill out the salary rate/month for each staff.

Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months

Column 5. Identify all other remunerations regularly received by the staff. Other benefits include RATA, PERA, year end benefits and other remunerations

Column 6. Sum up columns 4 and 5

Column 7. Estimate the annual % of time each staff performs directly to the issuance of the subject service. The rate shall be provided by the concerned unit

Column 8. Get the total cost for the Special Activity by adding the cost for each staff involved in delivering the service.

Proceed to the weight allocation. (The weight allocation may vary depending on the appropriate basis to the scenario within an LGU)

STEP 6. ESTIMATE AND DISTRIBUTE THE FIXED COSTS

STEP 6.A COST OF OFFICE SPACE

Instruction in Filling Up the Form

Column 1 - Describes the cost formula for determining share of office cost for delivering "Subject Service". Determine the cost of construction per square meter (approximately P20,000/sq.m.) and the floor area of the entire City Hall. The building construction cost is the product of the two values. Knowing the floor area occupied by the different offices delivering the "Subject Service", its proportionate share in the total floor area of the city hall multiplied by cost of constructing the building will be the cost of office space occupied. The annual depreciation rate is 4% since the normal economic life of reinforced concrete structures is 25 years. We can compute for the annual depreciation expense by multiplying the cost of office space occupied by depreciation rate and approximately the annual maintenance cost by apportioning 20% of the annual depreciation expenses. The 20% is used whenever actual data from the Accounting Office is unavailable. The share of cost for delivering "Subject Service" can be computed by adding annual depreciation expense and annual maintenance cost multiplied by the percent of work by the Office utilized for delivering the "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 10:

Fixed Cost - Office Space (Owned by the LGU)	
Particulars (col 1)	**Offices Involved in the delivery of "Subject Service" Fee (col 2)**
Construction Cost (per sq m)	15,000.00
Floor area of Barangay Hall (sq m)	1,000.00
Building Construction Cost (Php)	15,000,000.00
Office Area Occupied (sq. m)	200.00
Cost of Office Area Occupied (Php)	3,000,000.00
Depreciation Rate (%)	0.10
Annual Depreciation Expense (Php)	300,000.00
Annual Maintenance Cost (Php)	28,000.00
Percent of Work for "Subject Service" (%)	0.01
Share of Cost attributable to delivering the service (Php)	**3,280.00**

STEP 6.B UTILITIES

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of electricity cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the cost of electricity rate per kilowatt hour and the kilowatt consumption/hour of the Office delivering the service. The regular operations of a City Office is 7:30am-5:30pm or 10 hrs and there are approximately 260 days per year. The annual cost of electricity for the ofices delivering the service is the product of the electricity rate per kwh, the kilowatt consumption per hour of the office, the number of operating hours per days, and the number of operating days per year. The percent of work to be considered is an approximation by the head of unit delivering the service in relation to its total responsibilities. When known, the net cost of electricity attributed to delivery of service shall be the annual cost of electricity for the office multiplied by the percent of work devoted by the office for "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of water cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the number of people directly related to the processing and issuance of "Subject Service". The estimated water bill per person per month is P100. The net cost of water attributed to the delivery of "Subject Service" can be computed by the estimated water bill of the office per year multiplied by the percent of "Subject Service" work performed by the office in relation to the total responsibilities assigned to the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 12:

Cost of Electricity	
Particulars	**Offices involved in the delivery of "Subject Service" Fee**
(col 1)	(col 2)
Electricity rate per kilowatt hour (Php)	12.00
Kilowatt consumption/hour for the unit delivering the service	20.00
Number of operating hours per day	8.00
Number of days per year	264.00
Electricity cost per year	42,240.00
Percent of work for the service rendered	0.001%
Net electricity cost attributed to "Subject Service" service	0.42

Table 13:

Cost of Water	
Particulars	**Offices involved in the delivery of "Subject Service" Fee**
(col 1)	(col 2)
Number of People	8
Water bill per person per month	100.00
Estimated water bill of the office per year	9,600.00
Percent of work for the service rendered	0.001%
Net cost of water attributed to delivery of "Subject Service".	0.10

STEP 6.C COST OF EQUIPMENT AND FURNITURE

Instructions in Filling the Form

Column 1. Identify all the equipment, and other facilities used for the delivery of the subject service.
Column 2. Count the number of each type of equipment or facility.
Column 3. Verify acquisition cost from the Accounting Unit.
Column 4. Compute for the total cost of acquisition by multiplying columns 2 and 3.
Column 5. Compute for the annual depreciation rate by dividing 100% with the estimated economic life in years.
Column 6. Verify from the LGU Accounting Office the actual amount spent for maintenance of the
Column 7. Secure from the City Accounting Office the actual amount spent for maintenance of equipment/furniture used delivery of mayor's permit. In the absence of actua data, the amount can be computed by multiplying column 5 by 20%.
Column 8. Add Columns 6 and 7 to determine the annual cost of equipment/facility.
Column 9. Determine the % of time used for delivering the specific service in relation to responsibilities of the office involved in delivering the subject service.
Column 10. Compute for the annual cost share for equipment and funiture by multiplying columns 8 & 9.

Table 15:

Fixed Cost - Equipment and Furniture

Particulars	Number of Units	Acquisition Cost	Total Cost	Depreciation Rate	Annual Depreciation Cost	Maintenance Cost	Total Annual Cost	% Used for delivering the Service	Annual Cost Share for Equipment and Furniture
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)	(col 10)
A. Equipment									
Air Condition	2	30,000.00	60,000.00	10%	6,000.00	1,200.00	7,200.00	1.000%	72.00
Computers	2	35,000.00	70,000.00	20%	14,000.00	2,800.00	16,800.00	1.000%	168.00
Water Dispenser	1	10,000.00	9,000.00	20%	1,800.00	360.00	2,160.00	1.000%	0.02
Photocopier	1	15,000.00	15,000.00	20%	3,000.00	600.00	3,600.00	1.000%	36.00
									276.02
B. Furniture									
Filing Cabinets	4	15,000.00	60,000.00	10%	6,000.00	1,200.00	7,200.00	1.000%	72.00
Tables and Chairs	6	5,000.00	30,000.00	10%	3,000.00	600.00	3,600.00	1.000%	36.00
								Sub-Total	108.00
								TOTAL	384.02

STEP 6.D OTHER FIXED COST

Instructions in Filling the Form

Column 1. Identify Offices delivering the "Subject Service" fee and the type of other fixed costs significant for their operation. In the particular example, these are cost for internet subscription and regular office supplies for the offices involved in delivering the "Subject Service".

Column 2. Verify actual office expenses from the LGU Accounting Office. If data are hard to get, reflect the budget allocation of each office (c/o LGU Budget Office).

Column 3. Determine the percentage of time used by the Office in delivering the specific service in relation to its total responsibilities.

Column 4. Compute for the other variable cost by multiplying column 2 and column 3

Table 16:

Other Fixed Cost

Particulars	Annual Rate	Percent of Use for "Subject Service" Fees	Annual Cost
(col 1)	(col 2)	(col 3)	(col 4)
Internet Services	28,000.00	30%	0.28
Regular Office Supplies	50,000.00	80%	40,000.00
		Total	40,000.28

Instructions for Filling Up the Form

Column 1 - List all identified fixed costs.

Column 2 - Fill up the fixed costs for the "Subject Service" and reflect the sum of all entries of each cell under "Total".

Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Fixed Cost Per Application.

Table 17:

Summary Table - Fixed Costs

Fixed Cost	Total	Estimated Routine Fixed Cost Per Application
(col 1)	(col 2)	(col 3)
Annual Number of Applications	1,500.00	
Office Space	3,280.00	2.19
Utilities	1.68	0.00
Electricity	0.42	0.00
Water	0.10	0.00
Communication	-	-
Equipment and Furniture	384.02	0.26
Other Fixed Cost	40,000.28	26.67
TOTAL	**43,666.50**	**29.11**

STEP 7. COMPARE FEE WITH COST OF DELIVERING SERVICES

Compare Fee with Cost of Delivering Services

Fee Rate Estimation Using Costs of Issuing Permits Plus Cost of Surveillance		Comparison with Current Fee Rates		Difference	% Variance (-/+)	Remaks: Reasonable/ Not Reasonable
Total Cost	*108,236.50*	Total Revenue	*75,000.00*	(33,236.50)	(0.31)	Reasonable
Number of Applications Processed	*1,500*	Number of Applications Processed	*1,500*			
Average Fee Rate	*72.16*	Average Fee Rates	*50.00*	22.16	0.31	

Instructions for Filling Up the Form

(1) For every fee or charge, compare Total Revenue with Total Cost of delivering the subject service based on the results of the foregoing procedures.
(2) Compute the difference and determine the corresponding variance. If it yields a variance (-/+) of more than 10%, the LGU is either subsidizing (-) or generating revenues (+) in relation to the subject Service.
(3) Input the results in a summary form using Table 23 for ease in reference and appreciation during the review and deliberation of the results of the Toolkit.
(3) If so, then the LGU must submit, along with the report of the results, a proposed Rationalization of Fees and Charges using the options.

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks
BARANGAY CERTIFICATION FEE	50.00	72.16	-0.31%	₱ 70.00 fee has been
				approved by the Sangguniang
				Barangay in the amended
				Tax Ordinance

Prepared by:

HAZELINA C. MIRABUENO
Barangay Treasurer

Approved by:

ANTHONY S. COMILLAS
Punong Barangay

STANDARD COSTING FRAMEWORK

STEP 2:
Identify the Resource Requirements for Each Regulatory Activity, Service or Function

STEP 4:
Identify and Quantify the Variable Costs for the Routine Activities

STEP 5:
Allocate the Variable Cost for Special Activities

STEP 7:
Compare and Analyze the Results with the Current Rates

General Instructions:

White boxes cells shall not be edited or moved.

Yellow cells shall be the only cells where the user can edit or input the necessary data.

Blue cells signify the steps in the Toolkit.

STEP 1: MAP YOUR PROCESS FLOW

Note:

- A flowchart is a picture of the separate steps involved in a given process, presented in sequential order.
- Particularly helpful in analyzing and identifying areas for improvement by showing inefficiencies in the system.
- Also, it is useful in costing analysis.
- For this template, it is not necessary to use the various diagrams and boxes normally used in process flowcharts.
- **Suggested Source: Citizen's Charter or the duly authorized process flow of the concerned office (for standard procedure)**

Instructions in Filling the Form

1 Discuss and decide on the boundaries of your process.
   * Where or when does the process start? Where or when does it end?
2 Arrange and document the activities in proper sequence.

Table 1:

	LIST OF ACTIVITIES	
1	Receives request/application	
2	Verifies correctness and accuracy of submitted information	
3	schedule day of inspection	
4	Perform actual inspection	*
5	Evaluates the result of the inspection	*
6	Releases the results to the applicant	*
7	Receives the payment of fees or charges	*
8	Releases thr Barangay Clearance	

STEP 2: IDENTIFY THE RESOURCES FOR EACH ACTIVITY

Instructions in Filling the Form

1 Identify the offices and all key people involved with each activity. Identify official position.
   * **For standardization, base the information on the Citizen's Charter or the duly authorized process flow for standard procedure.**
   * This includes those who do the work in the process: suppliers, customers and supervisors.
2 List down the materials and resources utilized in each stage.

Table 2:

	ACTIVITY	PERSONNEL	SUPPLY/MATERIAL
1	Receives request/application	Barangay Secretary	Logbook
2	Verifies correctness and accuracy of submitted information	Barangay Secretary	
3	schedule day of inspection	Barangay Secretary	Logbook
4	Perform actual inspection	Barangay Kagawad	
5	Evaluates the result of the inspection	Punong Barangay	
6	Releases the results to the applicant	Barangay Kagawad	
7	Receives the payment of fees or charges	Barangay Treasurer	Official Receipt
8	Releases the Barangay Clearance	Barangay Secretary	Logbook/bond paper/ink (printer)

STEP 3: CLASSIFY ACTIVITIES INTO "ROUTINE" AND "SPECIAL"

Instructions in Filling the Form

1 Classify the activities into whether they are:

* **Routine(same procedure and effort for each applicant)**
* **Special (usually the vital part of the process and varies according to the type and/or complexity of the business of the applicant)**

Note: It is highly suggested to identify one (1) special step.

- **However, it can be two (2) or more. In that case, it will have an impact on the weight of the Special Variable Component.**
- **It may also yield that there is no special step in the whole process. In that case, the normal costing procedure is applicable and the computation will not involve a Special Variable Component.**

Table 3:

	ACTIVITY	PERSONNEL	SUPPLY/MATERIAL	TYPE OF ACTIVITY
1	Receives request/application	Barangay Secretary	Logbook/ballpen	Routine
2	Verifies correctness and accuracy of submitted information	Barangay Secretary		Routine
3	Schedule day of inspection	Barangay Secretary	Logbook/ballpen	Routine
4	Perform actual inspection	Barangay Kagawad/Inspector/Brgy. Tanod	Gasoline of Brgy. Vehicle	Special
5	Evaluates the result of the inspection	Punong Barangay		Routine
6	Releases the results to the applicant	Barangay Kagawad		Routine
7	Receives the payment of fees or charges	Barangay Treasurer	Official Receipt/ballpen	Routine
8	Releases the Barangay Clearance	Barangay Secretary	Logbook/bond paper/ink (printer)	Routine

STEP 4. QUANTIFY THE VARIABLE COST FOR ROUTINE ACTIVITIES

STEP 4.A PERSONNEL COSTS

Instructions in Filling Up the Form

Column 1- Base it on the staff identified as directly involved in the Routine Activities of the subject service. The actual number may be obtained from the Citizen's Charter or authorized office process flow, including the list of contractual positions for the particular service/s being rendered.

Column 2 - Match the salary grade for each staff. The salary grade data will be available at the Citizen's Charter, HR, Accounting, or Budget Office of the City.

Column 3 - Fill out the salary rate per month for each staff. The salary rates per month may be obtained from HR, Accounting, or Budget offices of the LGU.

Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months

Column 5. Identify all other remunerations regularly received by the staff. Data will be available at the City Budget or Accounting Department. In case data will not be readily available, other benefits can be represented by computing 20% of the annual salary.

Column 6. Sum up columns 4 and 5, and multiply it by 80%. The 20%covers lag time usually allotted to attendance in seminars/trainings, leaves, and other admin activities not related to the service. LGUs may also devise other method to determine the annual % of time assigned in the delivery of subject service, exclusive of lag time.

Column 7. Approximate the annual percentage of time each staff performs the task directly related to the activity. Data shall be provided by the head of units performing the service, e.g., if exclusively doing such task, then put 100%.

Column 8. Get the total personnel cost attributable to Routine Activities by adding the cost for each staff involved in delivering the service.

Table 4: Personnel Cost

Name and Position	Monthly Salary	Annual Salary	Other Benefits	Annual Compensation	% Time assigned in the delivery of the Subject Service	Annual Cost of the Service
(col 1)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
ANTHONY S. COMILLAS	20,700.00	248,400.00	51,400.00	299,800.00	0.01%	29.98
IRINEO S. SIBBALUCA	15,200.00	182,400.00	40,400.00	222,800.00	0.01%	22.28
JACQUELYN M. CAMARAO	15,200.00	182,400.00	40,400.00	222,800.00	0.01%	22.28
HAZELINA C. MIRABUENO	15,200.00	182,400.00	40,400.00	222,800.00	0.01%	22.28
					TOTAL	96.82

STEP 4.B COST OF TRANSPORTATION

Instructions in Filling the Form

Column 1. Identify the vehicles used for inspection

Column 2. Identify the number of vehicles used for inspection.

Column 3. Verify unit cost of vehicle

Column 4. Determine the total cost by multiplying columns 2 and 3

Column 5. Apply the depreciation rate (Note: Economic life of a vehicle is 10 years)

Column 6. Compute for the annual depreciation cost by multiplying columns 4 and 5.

Column 7. Verify from the City Accounting Office the actual amount spent for maintenance of the vehicle used for inspection. In the absence of actual data, the amount can be computed by multiplying column 5 by 20%.

Column 8. Determine the percentage of use of the vehicle. In the specific case sample, half day use from February to November is 44/52 weeks x .5 days

Column 9. Compute the cost of vehicle for inspection by adding columns 6 and 7 then multiply the percentage of use in column 8.

Table 5:

Variable Cost - Vehicle

List of Vehicle/s	Number of Vehicles	Unit Cost	Total Cost	Depreciation Rate/Year	Annual Depreciation Cost	Maintenance cost	Percentage of use for inspection per week	Annual cost of vehicle for inspection
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)
Tricab	1	200,000	200,000	10%	20,000	4,000	0.15%	36
							TOTAL	36.00

Instructions in Filling the Form

Column 1. Identify the vehicles used for inspection

Column 2. Identify the number of vehicles used for inspection

Column 3. Verify unit cost of fuel per liter

Column 4. Check the average weekly consumption in liters

Column 5. There are 52 weeks in one year. Identify the number of weeks the vehicles(s) has been used in a year.

Column 6. Compute for annual cost of fuel for 1 year by multiplying columns 2, 3, 4 and 5.

Column 7. Determine the percentage for the frequency of use of the vehicle for inspection. In the specific case sample, half day use from February to November is 44/52 weeks X .5 days. Note that the LGUs may devise other method to determine

Column 8. Compute the cost of fuel for inspection activities by multiplying columns 6 and 7.

Table 6:

Variable Cost - Fuel

List of vehicle/s	Number of Vehicles	Average Cost per liter	Ave. weekly consumption in liters	Number of weeks in one year	Annual Cost of fuel for the vehicle	Percentage of use for inspection per week	Annual cost for Fuel for inspection
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
Tri-Cab	1	57	15	52	44,460.00	0.15%	66.69
						TOTAL	66.69

STEP 4.B COST OF TRANSPORTATION

Instructions in Filling the Form

Column 1. Identify the vehicles used for inspection

Column 2. Identify the number of vehicles used for inspection.

Column 3. Verify unit cost of vehicle

Column 4. Determine the total cost by multiplying columns 2 and 3

Column 5. Apply the depreciation rate (Note: Economic life of a vehicle is 10 years)

Column 6. Compute for the annual depreciation cost by multiplying columns 4 and 5.

Column 7. Verify from the City Accounting Office the actual amount spent for maintenance of the vehicle used for inspection. In the absence of actual data, the amount can be computed by multiplying column 5 by 20%.

Column 8. Determine the percentage of use of the vehicle. In the specific case sample, half day use from February to November is 44/52 weeks x .5 days

Column 9. Compute the cost of vehicle for inspection by adding columns 6 and 7 then multiply the percentage of use in column 8.

Table 5:

Variable Cost - Vehicle

List of Vehicle/s	Number of Vehicles	Unit Cost	Total Cost	Depreciation Rate/Year	Annual Depreciation Cost	Maintenance cost	Percentage of use for inspection per week	Annual cost of vehicle for inspection
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)
Tricab	1	200,000	200,000	10%	20,000	4,000	0.15%	36
							TOTAL	36.00

Instructions in Filling the Form

Column 1. Identify the vehicles used for inspection

Column 2. Identify the number of vehicles used for inspection

Column 3. Verify unit cost of fuel per liter

Column 4. Check the average weekly consumption in liters

Column 5. There are 52 weeks in one year. Identify the number of weeks the vehicles(s) has been used in a year.

Column 6. Compute for annual cost of fuel for 1 year by multiplying columns 2, 3, 4 and 5.

Column 7. Determine the percentage for the frequency of use of the vehicle for inspection. In the specific case sample, half day use from February to November is 44/52 weeks X .5 days. Note that the LGUs may devise other method to determine

Column 8. Compute the cost of fuel for inspection activities by multiplying columns 6 and 7.

Table 6:

Variable Cost - Fuel

List of vehicle/s	Number of Vehicles	Average Cost per liter	Ave. weekly consumption in liters	Number of weeks in one year	Annual Cost of fuel for the vehicle	Percentage of use for inspection per week	Annual cost for Fuel for inspection
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
Tri-Cab	1	57	15	52	44,460.00	0.15%	66.69
						TOTAL	66.69

STEP 4.C OTHER VARIABLE COSTS

Instructions in Filling the Form

Column 1. List down the supplies, materials and other resources which are issued to each applicant or varies directly with the number of applicants.

Column 2. Count all filled application forms, schedule slips, results forms, etc., and those issued with official receipts. Consider if applicants were successfully processed and approved, and provided with new business plate, stickers and/or certificates.

Column 3. Secure the unit cost for each and every item identified as other variable cost from the City Accounting Office.

Column 4. Compute for the annual other variable cost by multiplying column 2 and column 3

Table 8:

Variable Cost - Other variable cost

Particulars	Annual Number of Applications	Cost/Measuring unit (Php)	Annual cost (Php)
(col 1)	(col 2)	(col 3)	(col 4)
Application form	20		
Request Slip	20	5.00	100.00
Report Form	20	30.00	600.00
Official Receipts	20	3.00	60.00
			-
		TOTAL	760.00

Instructions for Filling Up the Form

Column 1 - List all identified variable costs.
Column 2 - Fill up the variable costs for the "Subject Service" and reflect the sum of all entries of each cell to total
Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Variable Cost Per Application.

Table 9:

Summary Table- Variable Costs		
	Total	**Estimated Routine Variable Cost Per Application**
Annual Number of Applications	**20**	
Variable Costs		
Routine Personnel	**96.82**	**4.84**
Transportation Costs	**102.69**	**40.75**
Other Supplies/Forms/Materials	**760.00**	**38.00**
TOTAL	**959.51**	**47.98**

STEP 5. ALLOCATE THE VARIABLE COST FOR SPECIAL ACTIVITIES

Name and position	Monthly Salary	Annual Salary	Other compensation	Total Annual Compensation	% Time allocated for the service	Annual cost of service for inspection
(col 1)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
IRINEO S. SIBBALUCA	15,200.00	182,400.00	40,400.00	222,800.00	0.20%	445.60
URBANO C. NATIVIDAD	6,300.00	75,600.00	-	75,600.00	0.20%	151.20
						-
						-
						-
					TOTAL	596.80

Instructions in Filling the Form

Column 1- List the staff assigned to the "Special" Activity/ies.

Column 2 - Match the salary grade for each staff

Column 3 - Fill out the salary rate/month for each staff.

Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months

Column 5. Identify all other remunerations regularly received by the staff. Other benefits include RATA, PERA, year end benefits and other remunerations

Column 6. Sum up columns 4 and 5

Column 7. Estimate the annual % of time each staff performs directly to the issuance of the subject service. The rate shall be provided by the concerned unit

Column 8. Get the total cost for the Special Activity by adding the cost for each staff involved in delivering the service.

Proceed to the weight allocation. (The weight allocation may vary depending on the appropriate basis to the scenario within an LGU)

STEP 6. ESTIMATE AND DISTRIBUTE THE FIXED COSTS

STEP 6.A COST OF OFFICE SPACE

Instruction in Filling Up the Form

Column 1 - Describes the cost formula for determining share of office cost for delivering "Subject Service". Determine the cost of construction per square meter (approximately P20,000/sq.m.) and the floor area of the entire City Hall. The building construction cost is the product of the two values. Knowing the floor area occupied by the different offices delivering the "Subject Service", its proportionate share in the total floor area of the city hall multiplied by cost of constructing the building will be the cost of office space occupied. The annual depreciation rate is 4% since the normal economic life of reinforced concrete structures is 25 years. We can compute for the annual depreciation expense by multiplying the cost of office space occupied by depreciation rate and approximately the annual maintenance cost by apportioning 20% of the annual depreciation expenses. The 20% is used whenever actual data from the Accounting Office is unavailable. The share of cost for delivering "Subject Service" can be computed by adding annual depreciation expense and annual maintenance cost multiplied by the percent of work by the Office utilized for delivering the "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 10:

Fixed Cost - Office Space (Owned by the LGU)	
Particulars (col 1)	**Offices Involved in the delivery of "Subject Service" Fee** (col 2)
Construction Cost (per sq m)	15,000.00
Floor area of Barangay Hall (sq m)	1,000.00
Building Construction Cost (Php)	15,000,000.00
Office Area Occupied (sq. m)	200.00
Cost of Office Area Occupied (Php)	3,000,000.00
Depreciation Rate (%)	0.10
Annual Depreciation Expense (Php)	300,000.00
Annual Maintenance Cost (Php)	28,000.00
Percent of Work for "Subject Service" (%)	0.01
Share of Cost attributable to delivering the service (Php)	**3,280.00**

STEP 6.B UTILITIES

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of electricity cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the cost of electricity rate per kilowatt hour and the kilowatt consumption/hour of the Office delivering the service. The regular operations of a City Office is 7:30am-5:30pm or 10 hrs and there are approximately 260 days per year. The annual cost of electricity for the ofices delivering the service is the product of the electricity rate per kwh, the kilowatt consumption per hour of the office, the number of operating hours per days, and the number of operating days per year. The percent of work to be considered is an approximation by the head of unit delivering the service in relation to its total responsibilities. When known, the net cost of electricity attributed to delivery of service shall be the annual cost of electricity for the office multiplied by the percent of work devoted by the office for "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Instructions for

Column 1. Describes the formula for computin delivering the service (e.g. "Subject Service"). I related to the processing and issuance of "Subj per month is P100. The net cost of water attrib computed by the estimated water bill of the of Service" work performed by the office in relati Office.

Column 2 - Apply the formula described above "Subject Service".

Table 12:

Cost of Electricity	
Particulars	**Offices Involved in the delivery of "Subject Service" Fee**
(col 1)	**(col 2)**
Electricity rate per kilowatt hour (Php)	12.00
Kilowatt consumption/hour for the unit delivering the service	20.00
Number of operating hours per day	8.00
Number of days per year	264.00
Electricity cost per year	42,240.00
Percent of work for the service rendered	0.001%
Net electricity cost attributed to "Subject Service" service	0.42

Tal

Cost

Particulars
(col 1)
Number of People
Water bill per person per month
Estimated water bill of the office per year
Percent of work for the service rendered
Net cost of water attributed to delivery of "Subject Service".

STEP 6.C COST OF EQUIPMENT AND FURNITURE

Instructions in Filling the Form

Column 1. Identify all the equipment, and other facilities used for the delivery of the subject service.
Column 2. Count the number of each type of equipment or facility.
Column 3. Verify acquisition cost from the Accounting Unit.
Column 4. Compute for the total cost of acquisition by multiplying columns 2 and 3.
Column 5. Compute for the annual depreciation rate by dividing 100% with the estimated economic life in years.
Column 6. Verify from the LGU Accounting Office the actual amount spent for maintenance of the
Column 7. Secure from the City Accounting Office the actual amount spent for maintenance of equipment/furniture used delivery of mayor's permit. In the absence of actual data, the amount can be computed by multiplying column 5 by 20%.
Column 8. Add Columns 6 and 7 to determine the annual cost of equipment/facility.
Column 9. Determine the % of time used for delivering the specific service in relation to responsibilities of the office involved in delivering the subject service.
Column 10. Compute for the annual cost share for equipment and funiture by multiplying columns 8 & 9.

Table 15:

Fixed Cost - Equipment and Furniture

Particulars	Number of Units	Acquisition Cost	Total Cost	Depreciation Rate	Annual Depreciation Cost	Maintenance Cost	Total Annual Cost	% Used for delivering the Service	Annual Cost Share for Equipment and Furniture
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)	(col 10)
A. Equipment									
Air Condition	2	30,000.00	60,000.00	10%	6,000.00	1,200.00	7,200.00	1.000%	72.00
Computers	2	35,000.00	70,000.00	20%	14,000.00	2,800.00	16,800.00	1.000%	168.00
Water Dispenser	1	10,000.00	9,000.00	20%	1,800.00	360.00	2,160.00	1.000%	0.02
Photocopier	1	15,000.00	15,000.00	20%	3,000.00	600.00	3,600.00	1.000%	36.00
B. Furniture									
Filing Cabinets	4	15,000.00	60,000.00	10%	6,000.00	1,200.00	7,200.00	1.000%	72.00
Tables and Chairs	6	5,000.00	30,000.00	10%	3,000.00	600.00	3,600.00	1.000%	36.00
								Sub-Total	384.02
								TOTAL	384.02

STEP 6.D OTHER FIXED COST

Instructions in Filling the Form

Column 1. Identify Offices delivering the "Subject Service" fee and the type of other fixed costs significant for their operation. In the particular example, these are cost for internet subscription and regular office supplies for the offices involved in delivering the "Subject Service".

Column 2. Verify actual office expenses from the LGU Accounting Office. If data are hard to get, reflect the budget allocation of each office (c/o LGU Budget Office).

Column 3. Determine the percentage of time used by the Office in delivering the specific service in relation to its total responsibilities.

Column 4. Compute for the other variable cost by multiplying column 2 and column 3

Table 16:

Other Fixed Cost

Particulars	Annual Rate	Percent of Use for "Subject Service" Fees	Annual Cost
(col 1)	(col 2)	(col 3)	(col 4)
Internet Services	28,000.00	0.500%	0.28
Regular Office Supplies	50,000.00	0.500%	250.00
		Total	**250.28**

Instructions for Filling Up the Form

Column 1 - List all identified fixed costs.

Column 2 - Fill up the fixed costs for the "Subject Service" and reflect the sum of all entries of each cell under "Total".

Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Fixed Cost Per Application.

Table 17:

Summary Table - Fixed Costs		
Fixed Cost	Total	Estimated Routine Fixed Cost Per Application
(col 1)	(col 2)	(col 3)
Annual Number of Applications	20	
Office Space	3,280.00	164.00
Utilities	1.68	0.08
Electricity	0.42	0.02
Water	0.10	0.00
Communication	-	-
Equipment and Furniture	384.02	19.20
Other Fixed Cost	250.28	12.51
TOTAL	**3,916.50**	**195.82**

STEP 7. COMPARE FEE WITH COST OF DELIVERING SERVICES

Compare Fee with Cost of Delivering Services

Fee Rate Estimation Using Costs of Issuing Permits Plus Cost of Surveillance		Comparison with Current Fee Rates		Difference	% Variance (-/+)	Remaks: Reasonable/ Not Reasonable
Total Cost	*5,472.81*	Total Revenue	*3,000.00*	(2,472.81)	(0.45)	
Number of Applications Processed	*20*	Number of Applications Processed	*20*			
Average Fee Rate	*273.69*	Average Fee Rates	*150.00*	123.69	0.45	

Instructions for Filling Up the Form

(1) For every fee or charge, compare Total Revenue with Total Cost of delivering the subject service based on the results of the foregoing procedures.
(2) Compute the difference and determine the corresponding variance. If it yields a variance (-/+) of more than 10%, the LGU is either subsidizing (-) or generating revenues (+) in relation to the subject Service.
(3) Input the results in a summary form using Table 23 for ease in reference and appreciation during the review and deliberation of the results of the Toolkit.
(3) If so, then the LGU must submit, along with the report of the results, a proposed Rationalization of Fees and Charges using the options.

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks
BUILDING CLEARANCE FEE	150.00	273.69	-0.45%	₱250.00 fee has been approved by the Sangguniang Barangay in the amended Tax Ordinance

Prepared by:

HAZELINA C. MIRABUENO
Barangay Treasurer

Approved by:

ANTHONY S. COMILLAS
Punong Barangay

STANDARD COSTING FRAMEWORK

STEP 2: Identify the Resource Requirements for Each Regulatory Activity, Service or Function

STEP 4: Identify and Quantify the Variable Costs for the Routine Activities

STEP 5: Allocate the Variable Cost for Special Activities

STEP 7: Compare and Analyze the Results with the Current Rates

General Instructions:

	White boxes cells shall not be edited or moved.
	Yellow cells shall be the only cells where the user can edit or input the necessary data.
	Blue cells signify the steps in the Toolkit.

STEP 1: MAP YOUR PROCESS FLOW

Note:

- A flowchart is a picture of the separate steps involved in a given process, presented in sequential order.
- Particularly helpful in analyzing and identifying areas for improvement by showing inefficiencies in the system.
- Also, it is useful in costing analysis.
- For this template, it is not necessary to use the various diagrams and boxes normally used in process flowcharts.
- **Suggested Source: Citizen's Charter or the duly authorized process flow of the concerned office (for standard procedure)**

Instructions in Filling the Form

1 Discuss and decide on the boundaries of your process.
   * Where or when does the process start? Where or when does it end?
2 Arrange and document the activities in proper sequence.

Table 1:

	LIST OF ACTIVITIES	
1	Receives request/application	
2	Verifies correctness and accuracy of submitted information	
3	schedule day of inspection	
4	Perform actual inspection	*
5	Evaluates the result of the inspection	*
6	Releases the results to the applicant	*
7	Receives the payment of fees or charges	*
8	Releases thr Barangay Clearance	

STEP 2: IDENTIFY THE RESOURCES FOR EACH ACTIVITY

Instructions in Filling the Form

1 Identify the offices and all key people involved with each activity. Identify official position.
   * **For standardization, base the information on the Citizen's Charter or the duly authorized process flow for standard procedure.**
   * This includes those who do the work in the process: suppliers, customers and supervisors.
2 List down the materials and resources utilized in each stage.

Table 2:

	ACTIVITY	PERSONNEL	SUPPLY/MATERIAL
1	Receives request/application	Barangay Secretary	Logbook
2	Verifies correctness and accuracy of submitted information	Barangay Secretary	
3	schedule day of inspection	Barangay Secretary	Logbook
4	Perform actual inspection	Barangay Kagawad	
5	Evaluates the result of the inspection	Punong Barangay	
6	Releases the results to the applicant	Barangay Kagawad	
7	Receives the payment of fees or charges	Barangay Treasurer	Official Receipt
8	Releases thr Barangay Clearance	Barangay Secretary	Logbook/bond paper/ink (printer)

STEP 3: CLASSIFY ACTIVITIES INTO "ROUTINE" AND "SPECIAL"

Instructions in Filling the Form

1 Classify the activities into whether they are:

* **Routine(same procedure and effort for each applicant)**
* **Special (usually the vital part of the process and varies according to the type and/or complexity of the business of the applicant)**

Note: It is highly suggested to identify one (1) special step.

- **However, it can be two (2) or more. In that case, it will have an impact on the weight of the Special Variable Component.**
- **It may also yield that there is no special step in the whole process. In that case, the normal costing procedure is applicable and the computation will not involve a Special Variable Component.**

Table 3:

	ACTIVITY	PERSONNEL	SUPPLY/MATERIAL	TYPE OF ACTIVITY
1	Receives request/application	Barangay Secretary	Logbook/ballpen	Routine
2	Verifies correctness and accuracy of submitted information	Barangay Secretary		Routine
3	schedule day of inspection	Barangay Secretary	Logbook/ballpen	Routine
4	Perform actual inspection	Barangay Kagawad/Inspector/Brgy. Tanod	Gasoline of Brgy. Vehicle	Special
5	Evaluates the result of the inspection	Punong Barangay		Routine
6	Releases the results to the applicant	Barangay Kagawad		Routine
7	Receives the payment of fees or charges	Barangay Treasurer	Official Receipt/ballpen	Routine
8	Prepares and releases the Barangay Clearance	Barangay Secretary	Logbook/bond paper/ink (printer)	Routine

STEP 4. QUANTIFY THE VARIABLE COST FOR ROUTINE ACTIVITIES

STEP 4.A PERSONNEL COSTS

Instructions in Filling Up the Form

Column 1- Base it on the staff identified as directly involved in the Routine Activities of the subject service. The actual number may be obtained from the Citizen's Charter or authorized office process flow, including the list of contractual positions for the particular service/s being rendered.

Column 2 - Match the salary grade for each staff. The salary grade data will be available at the Citizen's Charter, HR, Accounting, or Budget Office of the City.

Column 3 - Fill out the salary rate per month for each staff. The salary rates per month may be obtained from HR, Accounting, or Budget offices of the LGU.

Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months

Column 5. Identify all other remunerations regularly received by the staff. Data will be available at the City Budget or Accounting Department. In case data will not be readily available, other benefits can be represented by computing 20% of the annual salary.

Column 6. Sum up columns 4 and 5, and multiply it by 80%. The 20%covers lag time usually allotted to attendance in seminars/trainings, leaves, and other admin activities not related to the service. LGUs may also devise other method to determine the annual % of time assigned in the delivery of subject service, exclusive of lag time.

Column 7. Approximate the annual percentage of time each staff performs the task directly related to the activity. Data shall be provided by the head of units performing the service, e.g., if exclusively doing such task, then put 100%.

Column 8. Get the total personnel cost attributable to Routine Activities by adding the cost for each staff involved in delivering the service.

Table 4: Personnel Cost

Name and Position	Monthly Salary	Annual Salary	Other Benefits	Annual Compensation	% Time assigned in the delivery of the Subject Service	Annual Cost of the Service
(col 1)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
ANTHONY S. COMILLAS	20,700.00	248,400.00	51,400.00	299,800.00	10%	29,980.00
IRINEO S. SIBBALUCA	15,200.00	182,400.00	40,400.00	222,800.00	10%	22,280.00
JACQUELYN M. CAMARAO	15,200.00	182,400.00	40,400.00	222,800.00	10%	22,280.00
HAZELINA C. MIRABUENO	15,200.00	182,400.00	40,400.00	222,800.00	10%	22,280.00
JAY REINEIL D. TRINIDAD	7,800.00	93,600.00		93,600.00	10%	9,360.00
					TOTAL	106,180.00

STEP 4.B COST OF TRANSPORTATION

Instructions in Filling the Form

Column 1. Identify the vehicles used for inspection

Column 2. Identify the number of vehicles used for inspection.

Column 3. Verify unit cost of vehicle

Column 4. Determine the total cost by multiplying columns 2 and 3

Column 5. Apply the depreciation rate (Note: Economic life of a vehicle is 10 years)

Column 6. Compute for the annual depreciation cost by multiplying columns 4 and 5.

Column 7. Verify from the City Accounting Office the actual amount spent for maintenance of the vehicle used for inspection. In the absence of actual data, the amount can be computed by multiplying column 5 by 20%.

Column 8. Determine the percentage of use of the vehicle. In the specific case sample, half day use from February to November is 44/52 weeks x .5 days

Column 9. Compute the cost of vehicle for inspection by adding columns 6 and 7 then multiply the percentage of use in column 8.

Table 5:

Variable Cost - Vehicle

List of Vehicle/s	Number of Vehicles	Unit Cost	Total Cost	Depreciation Rate/Year	Annual Depreciation Cost	Maintenance cost	Percentage of use for inspection per week	Annual cost of vehicle for inspection
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)
TRICAB	1	200,000	200,000	10%	20,000	4,000	26%	6,240
							TOTAL	6,240.00

Instructions in Filling the Form

Column 1. Identify the vehicles used for inspection

Column 2. Identify the number of vehicles used for inspection

Column 3. Verify unit cost of fuel per liter

Column 4. Check the average weekly consumption in liters

Column 5. There are 52 weeks in one year. Identify the number of weeks the vehicles(s) has been used in a year.

Column 6. Compute for annual cost of fuel for 1 year by multiplying columns 2, 3, 4 and 5.

Column 7. Determine the percentage for the frequency of use of the vehicle for inspection. In the specific case sample, half day use from February to November is 44/52 weeks X .5 days. Note that the LGUs may devise other method to determine

Column 8. Compute the cost of fuel for inspection activities by multiplying columns 6 and 7.

Table 6:

Variable Cost - Fuel

List of vehicle/s	Number of Vehicles	Average Cost per liter	Ave. weekly consumption in liters	Number of weeks in one year	Annual Cost of fuel for the vehicle	Percentage of use for inspection per week	Annual cost for Fuel for inspection
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
TRICAB	1	55.00	20	52	57,200.00	26%	14,872.00
						TOTAL	14,872.26

STEP 4.C OTHER VARIABLE COSTS

Instructions in Filling the Form

Column 1. List down the supplies, materials and other resources which are issued to each applicant or varies directly with the number of applicants.

Column 2. Count all filled application forms, schedule slips, results forms, etc., and those issued with official receipts. Consider if applicants were successfully processed and approved, and provided with new business plate, stickers and/or certificates.

Column 3. Secure the unit cost for each and every item identified as other variable cost from the City Accounting Office.

Column 4. Compute for the annual other variable cost by multiplying column 2 and column 3

Table 8:

Variable Cost - Other variable cost

Particulars	Annual Number of Applications	Cost/Measuring unit (Php)	Annual cost (Php)
(col 1)	(col 2)	(col 3)	(col 4)
Application form	450		
Request Slip	450	5.00	2,250.00
Report Form	450	12.00	5,400.00
Official Receipts	450	3.20	1,440.00
		TOTAL	9,090.00

Instructions for Filling Up the Form

Column 1 - List all identified variable costs.
Column 2 - Fill up the variable costs for the "Subject Service" and reflect the sum of all entries of each cell to total
Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Variable Cost Per Application.

Table 9:

Summary Table- Variable Costs		
	Total	Estimated Routine Variable Cost Per Application
Annual Number of Applications	450	
Variable Costs		
Routine Personnel	106,180.00	235.96
Transportation Costs	21,112.26	40.75
Other Supplies/Forms/Materials	9,090.00	20.20
TOTAL	136,382.26	303.07

STEP 5. ALLOCATE THE VARIABLE COST FOR SPECIAL ACTIVITIES

Name and position	Monthly Salary	Annual Salary	Other compensation	Total Annual Compensation	% Time allocated for the service	Annual cost of service for inspection
(col 1)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)
IRINEO S. SIBBALUCA	15,200.00	140,040.00	44,400.00	173,380.00	58.00%	100,560.40
URBANO C. NATIVIDAD	6,300.00	48,000.00		48,000.00	58.00%	27,840.00
						-
						-
						-
					TOTAL	128,400.40

Instructions in Filling the Form

Column 1- List the staff assigned to the "Special" Activity/ies.

Column 2 - Match the salary grade for each staff

Column 3 - Fill out the salary rate/month for each staff.

Column 4 - Compute for the annual salary of the staff by multiplying column 3 by 12 months

Column 5. Identify all other remunerations regularly received by the staff. Other benefits include RATA, PERA, year end benefits and other remunerations

Column 6. Sum up columns 4 and 5

Column 7. Estimate the annual % of time each staff performs directly to the issuance of the subject service. The rate shall be provided by the concerned unit

Column 8. Get the total cost for the Special Activity by adding the cost for each staff involved in delivering the service.

Proceed to the weight allocation. (The weight allocation may vary depending on the appropriate basis to the scenario within an LGU)

STEP 6. ESTIMATE AND DISTRIBUTE THE FIXED COSTS

STEP 6.A COST OF OFFICE SPACE

Instruction in Filling Up the Form

Column 1 - Describes the cost formula for determining share of office cost for delivering "Subject Service". Determine the cost of construction per square meter (approximately P20,000/sq.m.) and the floor area of the entire City Hall. The building construction cost is the product of the two values. Knowing the floor area occupied by the different offices delivering the "Subject Service", its proportionate share in the total floor area of the city hall multiplied by cost of constructing the building will be the cost of office space occupied. The annual depreciation rate is 4% since the normal economic life of reinforced concrete structures is 25 years. We can compute for the annual depreciation expense by multiplying the cost of office space occupied by depreciation rate and approximately the annual maintenance cost by apportioning 20% of the annual depreciation expenses. The 20% is used whenever actual data from the Accounting Office is unavailable. The share of cost for delivering "Subject Service" can be computed by adding annual depreciation expense and annual maintenance cost multiplied by the percent of work by the Office utilized for delivering the "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 10:

Fixed Cost - Office Space (Owned by the LGU)	
Particulars (col 1)	**Offices Involved in the delivery of "Subject Service" Fee (col 2)**
Construction Cost (per sq m)	15,000.00
Floor area of Barangay Hall (sq m)	1,000.00
Building Construction Cost (Php)	15,000,000.00
Office Area Occupied (sq. m)	200.00
Cost of Office Area Occupied (Php)	3,000,000.00
Depreciation Rate (%)	0.04
Annual Depreciation Expense (Php)	120,000.00
Annual Maintenance Cost (Php)	24,000.00
Percent of Work for "Subject Service" (%)	58.00%
Share of Cost attributable to delivering the service (Php)	**83,520.00**

STEP 6.B UTILITIES

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of electricity cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the cost of electricity rate per kilowatt hour and the kilowatt consumption/hour of the Office delivering the service. The regular operations of a City Office is 7:30am-5:30pm or 10 hrs and there are approximately 260 days per year. The annual cost of electricity for the ofices delivering the service is the product of the electricity rate per kwh, the kilowatt consumption per hour of the office, the number of operating hours per days, and the number of operating days per year. The percent of work to be considered is an approximation by the head of unit delivering the service in relation to its total responsibilities. When known, the net cost of electricity attributed to delivery of service shall be the annual cost of electricity for the office multiplied by the percent of work devoted by the office for "Subject Service".

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Instructions for Filling Up the Form

Column 1. Describes the formula for computing the proportion of water cost of the offices delivering the service (e.g. "Subject Service"). Initially, know the number of people directly related to the processing and issuance of "Subject Service". The estimated water bill per person per month is P100. The net cost of water attributed to the delivery of "Subject Service" can be computed by the estimated water bill of the office per year multiplied by the percent of "Subject Service" work performed by the office in relation to the total responsibilities assigned to the Office.

Column 2 - Apply the formula described above for the office involved in the delivery of the "Subject Service".

Table 12:

Cost of Electricity	
Particulars	**Offices involved in the delivery of "Subject Service" Fee**
(col 1)	**(col 2)**
Electricity rate per kilowatt hour (Php)	12.00
Kilowatt consumption/hour for the unit delivering the service	5.00
Number of operating hours per day	8.00
Number of days per year	264.00
Electricity cost per year	126,720.00
Percent of work for the service rendered	58%
Net electricity cost attributed to "Subject Service" service	73,497.60

Table 13:

Cost of Water	
Particulars	**Offices involved in the delivery of "Subject Service" Fee**
(col 1)	**(col 2)**
Number of People	8
Water bill per person per month	50
Estimated water bill of the office per year	4,800.00
Percent of work for the service rendered	58%
Net cost of water attributed to delivery of "Subject Service".	2,784.00

STEP 6.C COST OF EQUIPMENT AND FURNITURE

Instructions in Filling the Form

Column 1. Identify all the equipment, and other facilities used for the delivery of the subject service.
Column 2. Count the number of each type of equipment or facility.
Column 3. Verify acquisition cost from the Accounting Unit.
Column 4. Compute for the total cost of acquisition by multiplying columns 2 and 3.
Column 5. Compute for the annual depreciation rate by dividing 100% with the estimated economic life in years.
Column 6. Verify from the LGU Accounting Office the actual amount spent for maintenance of the
Column 7. Secure from the City Accounting Office the actual amount spent for maintenance of equipment/furniture used delivery of mayor's permit. In the absence of actual data, the amount can be computed by multiplying column 5 by 20%.
Column 8. Add Columns 6 and 7 to determine the annual cost of equipment/facility.
Column 9. Determine the % of time used for delivering the specific service in relation to responsibilities of the office involved in delivering the subject service.
Column 10. Compute for the annual cost share for equipment and funiture by multiplying columns 8 & 9.

Table 15:

Fixed Cost - Equipment and Furniture

Particulars	lumber of Unit	Acquisition Cost	Total Cost	epreciation Rat	Annual Depreciation Cost	Maintenance Cos	Total Annual Cost	% Used for delivering the Service	Annual Cost Share for Equipment and Furniture
(col 1)	(col 2)	(col 3)	(col 4)	(col 5)	(col 6)	(col 7)	(col 8)	(col 9)	(col 10)
A. Equipment									
Air Condition	2	30,000.00	60,000.00	10%	6,000.00	1,200.00	7,200.00	58%	4,176.00
Computers	2	35,000.00	70,000.00	20%	14,000.00	2,800.00	16,800.00	58%	9,744.00
Water Dispenser	1	9,000.00	9,000.00	20%	1,800.00	360.00	2,160.00	58%	1,253.00
Photocopier	1	15,000.00	15,000.00	20%	3,000.00	600.00	3,600.00	58%	2,088.00
								Sub-Total	17,261.00
B. Furniture									
Filing Cabinets	4	15,000.00	60,000.00	10%	6,000.00	1,200.00	7,200.00	58%	4,176.00
Tables and Chairs	6	5,000.00	30,000.00	10%	3,000.00	600.00	3,600.00	58%	2,088.00
								Sub-Total	6,264.00
								TOTAL	23,525.00

STEP 6.D OTHER FIXED COST

Instructions in Filling the Form

Column 1. Identify Offices delivering the "Subject Service" fee and the type of other fixed costs significant for their operation. In the particular example, these are cost for internet subscription and regular office supplies for the offices involved in delivering the "Subject Service".

Column 2. Verify actual office expenses from the LGU Accounting Office. If data are hard to get, reflect the budget allocation of each office (c/o LGU Budget Office).

Column 3. Determine the percentage of time used by the Office in delivering the specific service in relation to its total responsibilities.

Column 4. Compute for the other variable cost by multiplying column 2 and column 3

Table 16:

Other Fixed Cost

Particulars	Annual Rate	Percent of Use for "Subject Service" Fees	Annual Cost
(col 1)	(col 2)	(col 3)	(col 4)
Internet Services	28,000.00	2%	560.00
Regular Office Supplies	35,000.00	58%	20,300.00
		Total	20,860.00

Instructions for Filling Up the Form

Column 1 - List all identified fixed costs.

Column 2 - Fill up the fixed costs for the "Subject Service" and reflect the sum of all entries of each cell under "Total".

Column 3 - Divide the amount in column 2 with the number of applications (annual) to get the Estimated Routine Fixed Cost Per Application.

Table 17:

Summary Table - Fixed Costs

Fixed Cost	Total	Estimated Routine Fixed Cost Per Application
(col 1)	(col 2)	(col 3)
Annual Number of Applications	450	
Office Space	83,520.00	185.60
Utilities	-	-
Electricity	73,497.60	163.33
Water	2,784.00	6.19
Communication	-	-
Equipment and Furniture	23,525.00	52.28
Other Fixed Cost	20,860.00	46.36
TOTAL	**204,186.60**	**453.75**

STEP 7. COMPARE FEE WITH COST OF DELIVERING SERVICES

Compare Fee with Cost of Delivering Services

Fee Rate Estimation Using Costs of Issuing Permits Plus Cost of Surveillance		Comparison with Current Fee Rates		Difference	% Variance (-/+)	Remaks: Reasonable/ Not Reasonable
Total Cost	*468,968.86*	Total Revenue	*270,000.00*	(198,968.86)	(0.42)	Reasonable
Number of Applications Processed	*450*	Number of Applications Processed	*450*			
Average Fee Rate	*1,042.15*	Average Fee Rates	*600.00*	442.15	0.42	

Instructions for Filling Up the Form

(1) For every fee or charge, compare Total Revenue with Total Cost of delivering the subject service based on the results of the foregoing procedures.
(2) Compute the difference and determine the corresponding variance. If it yields a variance (-/+) of more than 10%, the LGU is either subsidizing (-) or generating revenues (+) in relation to the subject Service.
(3) Input the results in a summary form using Table 23 for ease in reference and appreciation during the review and deliberation of the results of the Toolkit.
(3) If so, then the LGU must submit, along with the report of the results, a proposed Rationalization of Fees and Charges using the options.

Summary of Rationalized Local Fees and Charges

Local Fee/Charge	Current Rate	Rationalized Rate	% Variance	Remarks
BUSINESS CLEARANCE FEE	600.00	1,042.15	-0.42%	₱ 1,000.00 rate has been approved by the Sangguniang Barangay in the amended Tax Ordinance

Prepared by:

HAZELINA C. MIRABUENO
Barangay Treasurer

Approved by:

ANTHONY S. COMILLAS
Punong Barangay