

THIRTEENTH CONGRESS OF THE REPUBLIC)  
OF THE PHILIPPINES )  
FIRST REGULAR SESSION )

SENATE  
OFFICE OF THE SECRETARY

04 JUN 30 PM 1:15

SENATE 2  
P.S. Res. No. \_\_\_\_\_

RECEIVED BY: \_\_\_\_\_

*Introduced by Senator Magsaysay, Jr.*

**A RESOLUTION**

**URGING THE COMMITTEE ON FINANCE AND OTHER APPROPRIATE COMMITTEE/S TO CONDUCT A COMPREHENSIVE STUDY, IN AID OF LEGISLATION, ON THE POSSIBILITY OF HIRING PRIVATE SECTOR AUDITORS TO ASSIST AND CHECK THE FORMULATION AND FRAMING UP OF THE GENERAL APPROPRIATION ACT PROMOTING THE PRINCIPLES OF COST-EFFECTIVE FISCAL MANAGEMENT AND ELIMINATING WASTAGE OF PUBLIC FUNDS**

**WHEREAS**, the 1987 Philippine Constitution vested in the Philippine Legislature the so-called "power of the purse" which emanates from the provision in the supreme law stating that "no money shall be paid out of the Treasury except in the pursuance of an appropriation made by law";

**WHEREAS**, the power of appropriation is one of the most important prerogatives of Congress as remarked by constitutionalist Isagani Cruz when he stated that, "[f]unds are always needed for the support of public projects; money is the motive force and lubricant of the machinery of the government";

**WHEREAS**, the General Appropriations Act of 2000 represents a budget which has undergone very serious scrutiny with the whopping Php 109.2 billion budget deficit as backdrop and the government's overspending last year with total disbursements reaching Php 587.8 billion or Php 11.8 billion beyond its self imposed limit of Php 576 billion;

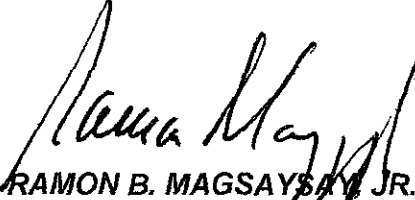
**WHEREAS**, it has been always perceived that the governmental budget is full of wastage and that its maximum use has not really been fully achieved to the detriment of the Filipino taxpayers;

**WHEREAS**, one mechanism advanced by the private sector to effectively manage public funds is the hiring of private sector auditors, even on a part-time basis, to minimize wastage, devise mechanisms to fully tap the resources for well-programmed projects, cost effective ways and intelligent management funds, among others;

**WHEREAS**, a serious consideration must be accorded to the said recommendation and studying its feasibility vis-à-vis laws that will be affected, policies that will be hampered and must be relaxed: **Now therefore be it**

Resolved by the Senate to urge the Committee on Finance and other appropriate committee/s to conduct a comprehensive study, in aid of legislation on the possibility of hiring private sector auditors to assist and check the formulation and framing up of the General Appropriations Act to promote the principles of cost-effective fiscal management and to eliminate wastage of public funds.

Adopted,

  
RAMON B. MAGSAYSAY, JR.