CreatePHFilms
Film Development Council of the Philippines

FUND FOR SMALL BUDGET PRODUCTION

GUIDELINES ON ELIGIBLE EXPENSES

CYCLE 1 2022

FILM DEVELOPMENT COUNCIL OF THE PHILIPPINES

Republic of the Philippines
Office of the President
FILM DEVELOPMENT COUNCIL OF THE PHILIPPINES

CREATEPHFILMS
Fund for Small Budget Production

GUIDELINES ON ELIGIBLE EXPENSES
(Cycle 1 2022)

The CreatePHFilms Fund for Small Budget Production is a selective and recoupable fund of One Million Pesos (P 1,000,000.00) per project for production companies of mid to feature-length film projects.

This document details the information and requirements you need to know as you spend the Fund to be granted to you by the CreatePHFilms Fund for Small Budget Production.

This must be read in conjunction with the *CreatePHFilms Fund for Small Budget Production General Guidelines* and *CreatePHFilms Fund for Small Budget Production Information Sheet*.

Rationale

As the national film agency, it is within the FDCP's mandate to provide assistance to Filipino filmmakers to upgrade the quality of local films in the country. In line with this is the funding support provided through the CreatePHFilms Program for the different stages of filmmaking.

As FDCP is responsible for the proper use of government funds and ensuring that those funds are used as directed by law, so must the recipients of the Agency's support by following the appropriate reporting guidelines.

Hence, these Guidelines are prescribed by the FDCP for the grantees of the CreatePHFilms Fund for Small Budget Production in order to streamline the process of compliance in line with the Memorandum of Agreement (MOA) entered into with the Agency.

I. General Guidelines

a. Each expense sourced from the fund granted must be **used for the Project needs only.**

b. Each expense must be accompanied by either of the following:
   1. **Certified True Copies of the Official Receipt(s) or Sales Invoice(s)** *(supplementary receipts such as Collection Receipt(s) must be provided; for Charge Invoice, Cash Invoice is sufficient)*
   2. **Service Contract**

c. VAT and non-VAT transactions are both valid.

d. Official Receipts and Sales Invoices must satisfy the following:

1. Must be BIR-registered receipt and valid
2. Must be fully accomplished
3. Must be **issued in the name of the Grantee only**

e. Service Contracts are accepted subject to the following:
   1. For services provided by individuals which will be paid by the Grantee
   2. Must be fully accomplished, following the template provided
   3. Must be accompanied by the following:
      a. Proof of payment (bank transfer/deposit slip or payslip)
      b. Valid government ID of the recipient of the payment
      c. Certificate of Service Rendered signed by the Grantee

f. Utilization of the Fund must start **upon the receipt of the first tranche or sixty percent (60%) of the Fund**.

g. Spending must be in local currency and with Filipino registered businesses and Filipino individuals.

h. Receipts, invoices, contracts, and other supporting documents must be submitted to the CreatePHFilms Secretariat for the Final Report process as stated in the MOA.

i. The FDCP Accounting Unit will review the submission of the report of expenses and **may exclude any incorrect or ineligible receipt(s)** from the computation of the eligible expenses.

II. Eligible Expenses and Supporting Documents

Eligible expenses are qualified expenses that may be paid out from the CreatePHFilms Fund subject to presentation of appropriate documents enumerated in this document. The following are eligible expenses allowed under the Fund and the **Certified True Copies** of documentary requirements for each:

1. Salaries, wages, and social contributions

These include the following:

Eligible Costs	Ineligible Costs/Roles	Supporting Documents

• Above-the-line staff *(director, cinematographer, production designer, actors, editors, etc)* • Below-the-line staff • Production Company staff members (whether full-time or project-based) can be taken into account proportionally to the period during which they are working on the Project.	• Any part of the producer or the company's fees • Salaries/fees for foreign production staff	• For above-the-line crew, Certified True Copies of Official Receipt(s) and fully executed contract with the Production Company accompanied by the following: 1. Proof of payment (bank transfer/ deposit slip or payslip) 2. Valid government ID of the recipient of the payment 3. Certificate of Service Rendered signed by the Grantee *(Template provided)* • For below-the-line staff and production company staff members, fully executed Service Contract *(Template provided)* and must be accompanied by the following: 1. Proof of payment (bank transfer/ deposit slip or payslip) 2. Valid government ID of the recipient of the payment 3. Certificate of Service Rendered signed by the Grantee *(Template provided)*

2. **Transportation and travel expenses**

These may include the following:

Eligible Expenses	Ineligible Expenses	Supporting Documents

• Reasonable transportation fares *(economy airfare for flights and sea)* • Reasonable transportation fares *(for land travel)* and gas cost • Vehicle rental	• Upgrade fees for business or first class seats • Reimbursement for fare acquired with personal reward points	• Submit paper ECONOMY plane tickets and original departure and arrival boarding passes with Certified True Copies of Official Receipt(s). Must be part of justification of activity for expenses via report *(Template provided)* Booking of airfares must be paid to a Filipino travel agency. • Certified True Copies of Official Receipt(s) / Sales Invoice(s) (*online receipt may be accepted provided that transport service does not provide hard copy receipts e.g. Grab, Angkas etc, but for this particular expense only. Online receipts e.g. Grab must be issued to the grantee's company name.)* • Certified True Copies of Official Receipt(s) for vehicle rentals. Must be part of justification of activity for expenses via report *(Template provided)*
• Travel health insurance • Safety related expenses for field research, such as protective gear, testing, etc.		• Certified True Copies of Official Receipt(s) and copy of Insurance Policy. Must be part of justification of activity for expenses via report *(Template provided)*

• SARS-CoV-2 Antigen / RT-PCR testing as requirement to enter LGUs or provinces for the conduct for production		• Certified True Copies of the Sales Invoice(s) and Official Receipt(s). Must be part of justification of activity for expenses via report *(Template provided)*

3. **Technical goods and services**

These include the following:

Eligible Expenses	Ineligible Expenses	Supporting Documents
• **Production Rentals:** stages and locations,, furniture machinery, lighting, sound	• Purchase of equipment	• Certified True Copies of the Sales Invoice(s) and Official Receipt(s). • For rentals, rental contract(s) with Certified True Copies of Official Receipt(s)
• **Costume and Production Design:** including, but not limited to, renting/ creating/ buying/ repairs of costumes, hairstyle and makeup, prosthetics, set construction	• Purchase of equipment	• Certified True Copies of the Sales Invoice(s) and Official Receipt(s) • For rentals, rental contract(s) with Certified True Copies of Official Receipt(s)

4. **Visualization and animation expenses**

These include, but are not limited to, character design, location design, guide voice recording, storyboarding, animatics, voice recording with actual voice actors, character animation, compositing, and online edit. These must be accompanied by a Certified True Copy of an Official Receipt for engaged companies and a fully executed contract for individuals.

5. **Project-related overheads and other goods and services**

These include the following:

Eligible Expenses	Ineligible Expenses	Supporting Documents

• Stationery and office supplies *(e.g. notebooks, writing pad, paper and ink cartridges for printing, pens, file folders, etc.)* • Print and photocopy costs • Reasonable costs/not excessive for print and photocopy devices *(e.g. photocopier, printer, etc.)* • Communication costs: or internet connection, subscriptions (prepaid and postpaid)covering the period of production • Shipping costs for purchased equipment and supplies	• Purchase of new electronic devices *(computers, laptops, tablets, cellular phones, modems, fax machines, etc.)* • Basic utilities *(e.g. electricity, water, telephone, etc.)*	• Certified True Copy of the Sales Invoice(s) • Certified True Copies of Official Receipt(s) • For communication costs, Certified True Copies of the Official Receipt(s) and billing statement(s) • Certified True Copies of Official Receipt(s)/Waybill(s)

6. **Meals**

These include the supply of food for the film crew and production staff throughout the film shoots at the designated filming site and may also include craft services.

Eligible Expenses	Ineligible Expenses	Supporting Documents
• Catering costs		• Certified True Copies of Official Receipt(s) for catering compan(ies) and individuals and fully executed Service Contract

7. **Accommodations**

These include the following:

Eligible Expenses	Ineligible Expenses	Supporting Documents
• Accommodation in		• Room or house billing

hotels, bed and breakfast, guest houses, cottages, apartments, lodges, etc. *(For Metro Manila, capped at P 3,000.00 per night per room; and maximum of P 2,000.00 per night per room elsewhere)*		statement ● In case of house or personal property rental, Memorandum of Agreement ● Certified True Copies of the Official Receipt(s) / proofs of payments (*online receipt may be accepted provided that the accommodation booking service (Airbnb) does not provide hard copy receipts but for this particular expense only)*

8. Legal costs

These include lawyer's representation(s), legal advice(s) on drafting of agreements and other legal services. This must be accompanied by a Certified True Copy of an Official Receipt for engaged legal firms or a fully executed contract for individuals.

III. Forms & Templates

Grantees must use these documents and submit these fully accomplished along with the documentary requirements as specified in this Guidelines.

1. Service Contract and Certificate of Service Rendered

All fees, wages, or honoraria paid to Filipino individuals must be accompanied by a fully executed Service Agreement, a Certificate of Service Rendered, proof of payment (bank transfer/deposit slip or payslip) and a valid government ID.

The corresponding Certificate of Service Rendered must be attached to the Service Agreement once the worker/talent has satisfactorily completed his/her service engagement to the Grantee.