



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
 BONCODIN HALL, GEN. SOLANO ST., SAN MIGUEL, MANILA

CORPORATE OPERATING BUDGET

Fiscal Year 2018

TO: PARTIDO DEVELOPMENT ADMINISTRATION (PDA)

Your Corporate Operating Budget (COB) for Fiscal Year 2018 per Board Resolution No. 17 series of 2017, dated September 29, 2017, submitted pursuant to Section 6 of Executive Order (EO) No. 518, series of 1979 and Section 19, Chapter 3, Book VI of EO No. 292, series of 1987, is hereby approved for a total of **ONE HUNDRED FIFTY THREE MILLION ONE HUNDRED SEVENTY FIVE THOUSAND PESOS ONLY (P153,175,000)**, details of which are shown below:

PARTICULARS	PROPOSAL (a)	APPROVED (b)	VARIANCE (c=b-a)
TOTAL SOURCES:	P 154,997,000	P 154,997,000	-
Corporate Funds	154,997,000	154,997,000	-
TOTAL USES:	P 153,941,000	P 153,175,000	P (766,000)
Personnel Services (PS)	27,214,000	27,093,000	(121,000) a/
Maintenance & Other Operating Exp. (MOOE)	50,207,000	49,562,000	(645,000) b/
Capital Outlays (CO)	20,266,000	20,266,000	-
Accounts Payable	56,254,000	56,254,000	c/ -
Excess/Shortfall	P 1,056,000	P 1,822,000	P 766,000

Footnotes:

a/ The PS level variance refers to the following:

Particulars	Amount	Remarks
Representation and Transportation Allowance	P 120,000	Computed based on Section 55 of the General Provisions of R.A. 10964, FY 2018 GAA
Life & Retirement Insurance Premium	1,000	Computed at 12% of basic salary
Total	P 121,000	

b/ MOOE level was computed considering actual/audited expenses for previous years and the effects of inflation at 4.5%, details of variance as follows:

Particulars	Amount
Communication Expenses	P 207,000
Repair and Maintenance of Gov't Facilities	431,000
Transportation	7,000
Total	P 645,000

c/ For partial payment to the Bureau of Treasury (BTr) for the advances made for its foreign loan from the Danish International Development Agency.

Notwithstanding the above indicated variances in PS and MOOE, the PDA has the flexibility to modify its utilization within the DBM-approved budget level for each allotment class for items funded out of corporate funds.

The following conditions shall be observed and complied with:

1. All expenditures, whether for current operating expenditures or COs, shall be made within the limits of available funds realized from corporate receipts, authorized corporate borrowings and National Government budgetary support either in the form of subsidy, equity or loans outlay.
2. Any increase in the approved principal COB in the course of the budget year, as may be warranted by additional corporate receipts, shall require the submission of a supplemental COB to cover the additional expenditures.

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3. This approval shall not be construed as an authorization for specific expenditure items under PS which requires prior approval by the Office of the President. Disbursements for PS shall strictly observe pertinent compensation laws, rules and regulations, including EO Nos. 7 and 24 dated September 8, 2010 and February 10, 2011, respectively and EO No. 203 as amended by EO No. 36 (Suspending the Compensation and Position Classification System under EO No. 203, providing for Interim Compensation Adjustments, and for Other Purposes) for GOCCs covered by RA No. 10149. Such expenditures shall also be subject to relevant conditions under the General Provisions of the annual General Appropriations Act (GAA) or any specific law or approval of the President of the Philippines and/or Secretary of the Department of Budget and Management (DBM) or the GCG, as the case may be.
4. Disbursements for extraordinary and miscellaneous expenses (EME) and other MOOE items shall be subject to the relevant provisions of the annual GAA, among others.
5. Equipment Outlays included in the Annual Procurement Program that require specific clearance/approval from the agencies concerned (e.g. Department Information and Communications Technology particularly MITHI Steering Committee) for information and communication technology equipment and Office of the President/DBM/Supervising Department for procurement of motor vehicles). The same shall be secured before acquisition thereof in accordance with Corporate Budget Circular (BC) No. 17 dated February 9, 1996, Budget Circular No. 2017-1 dated April 26, 2017, amending BC No. 2016-5 dated August 22, 2016, AO No. 15, dated May 25, 2011, amending AO No. 233, s. 2008 dated August 1, 2008, Office of the President Memorandum Circular No. 9 dated December 14, 2010, among others.
6. Electronic payment shall be observed in the disbursement of corporate and public funds. In case the same is impracticable, the GOCC shall be allowed to continue with the existing payment scheme.
7. Notwithstanding the repeal of AO No. 103, existing laws, rules and regulations mandating the judicious and prudent use of government funds shall be observed. No irregular, unnecessary, extravagant, excessive and unconsonable expenses shall be incurred pursuant to AO No. 6 dated September 19, 2017.
8. It is understood that this review action does not authorize any item of expenditure that is prohibited by or inconsistent with the provisions of law.
9. Any and all officials or employees who will authorize, allow or permit, as well as those who are negligent in the performance of their duties and functions which resulted in the incurrence or payment of unauthorized and unlawful obligation or expenditure shall be personally liable to the government for the full amount committed or expended and subject to disciplinary actions in accordance with Section 43, Chapter 5 and Section 80, Chapter 7, Book VI of EO No. 292.

Recommending Approval:

Carmencita P. Maginay
CARMENCITA P. MAGINAY
Director, BMB-C

Approved:

By Authority of the Secretary:

Tina Rose Marie L. Canda
TINA ROSE MARIE L. CANDA
Undersecretary

Date: **SEP 18 2018**

cc: The Chairman
Board of Directors, PDA

Assistant Commissioner Winnie Rose H. Encallado
Commission on Audit (COA) - Central Office
COA Building, Quezon City

The Resident Auditor
COA, PDA

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Department of Budget and Management
BTS



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