



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
 BONCODIN HALL, GENERAL SOLANO STREET, SAN MIGUEL, MANILA

CORPORATE OPERATING BUDGET
 Calendar Year 2017

TO: PHILIPPINE RICE RESEARCH INSTITUTE (PhilRice)

Your Corporate Operating Budget (COB) for Calendar Year 2017 per approved PhilRice Board of Trustees' Special Resolution Nos. 001 and 002 dated May 12, 2017 and October 18, 2016, respectively submitted pursuant to Section 6 of Executive Order (E.O.) No. 518, series of 1979 and Section 19, Chapter 3, Book VI of E.O. No. 292, series of 1987, is hereby approved for a total of **SIX HUNDRED TWENTY SEVEN MILLION NINE HUNDRED NINETY NINE THOUSAND PESOS ONLY (P627,999,000)**, details of which are shown below:

PARTICULARS	PROPOSAL (a)	APPROVED (b)	VARIANCE (c=b-a)
TOTAL SOURCES:	P <u>659,228,000</u>	P <u>659,228,000</u>	P -
Corporate Funds	98,228,000	98,228,000	-
National Government (NG) Support	561,000,000	561,000,000	-
TOTAL USES:	P <u>659,228,000</u>	P <u>627,999,000</u>	P <u>(31,229,000)</u>
Personnel Services (PS)	206,296,000	205,908,000	(388,000) a/
Maintenance and Other Operating Expenses (MOOE)	351,091,000	320,250,000	(30,841,000) b/
Capital Outlays (CO)	101,841,000	101,841,000	c/ -
Excess/(Shortfall)	P <u>-</u>	P <u>31,229,000</u>	P <u>31,229,000</u>

Footnotes:

a/ The variance of P388,000 pertains to the following overprovision:

Particulars	Amount	Remarks
• Salaries, Regular	P 290,000	- Rates computed based on Executive Order No. 201, 2nd tranche
• Midyear and Year-end Bonus	49,000	- Equivalent to 2 months salary only
• Life and Retirement Insurance Premium	35,000	- Equivalent to 12% of salaries
• Philhealth Contributions	14,000	- Rates computed based on DBM Circular Letter No. 2017-3 dated January 3, 2017
Total	P <u>388,000</u>	

b/ MOOE level is computed considering audited expenses for the previous years and the effects of inflation.

c/ CO is intended for the following:

Buildings and Structures Outlay	P 59,062,000
Office Equipment, Furniture and Fixtures	8,624,000
Machineries and Equipment Outlay	29,370,000
Transportation Equipment	4,785,000
TOTAL	P <u>101,841,000</u>

The purchase of three (3) motor vehicles needs prior approval from the Office of the President (OP)/ DBM or Supervising Department, as the case maybe. This will be acted upon separately.

This approval shall not be construed as an authorization for specific expenditure items under PS which requires prior approval of the OP. Further, the following conditions shall be observed and complied with:


- All expenditures, whether for current operating expenditures or for 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.

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2. Disbursements for personnel allowances/benefits, shall be subject to the pertinent compensation laws, rules and regulations, including Executive Order (EO) No. 201.
3. Disbursements for Extraordinary and Miscellaneous Expenses shall be subject to relevant provision of the annual GAA.
4. Equipment outlays included in the Annual Procurement Program that require specific clearance/approval from the Agencies concerned (ex. Information and Communications Technology Office (DICT-ICTO) for information technology equipment and Office of the President/Department of Budget and Management/Supervising Department for motor vehicles), the same shall be secured before acquisition thereof in accordance with Corporate Budget Circular No. 17 dated February 9, 1996, Budget Circular No. 2017-1 dated April 26, 2017, amending Budget Circular No. 2016-5 dated August 22, 2016, Administrative Order (A.O.) No. 15 dated May 25, 2011, amending AO No. 233 dated August 1, 2008, Office of the President Memorandum Circular No. 9 dated December 14, 2010, among others.
5. The fiscal discipline measures prescribed under A.O. No. 103 dated August 31, 2004 shall be observed.
6. Electronic payment shall be observed in the disbursement of corporate and public funds. In cases when the adoption is impracticable, GOCC shall be allowed to continue with the existing payment scheme.
7. 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.


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 292.

Recommending Approval:


LORENZO C. DRAPETE
Director, BMB - C

Approved:

By Authority of the Secretary:


LUZ M. CANTOR
Undersecretary *lw*

Date: SEP 15 2017

COB-C1-17-0048

cc: **The Chairman**
Board of Directors, PhilRice

Assistant Commissioner Lourdes M. Castillo
Commission on Audit (COA) - Central Office
COA Building, Quezon City

The Resident Auditor
COA -PhilRice

