



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

**CORPORATE OPERATING BUDGET**  
 Calendar Year 2018

**TO: PHILIPPINE RICE RESEARCH INSTITUTE (PhilRice)**

Your Corporate Operating Budget (COB) for Calendar Year 2018 per approved PhilRice Board of Trustees' Special Resolution No. 01 dated January 17, 2018, 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 **EIGHT HUNDRED TWENTY SIX MILLION NINETY THOUSAND PESOS ONLY (P826,090,000)**, details of which are shown below:

PARTICULARS	PROPOSAL (a)	APPROVED (b)	VARIANCE (c=b-a)
<b>TOTAL SOURCES:</b>	<b>P 833,359,000</b>	<b>P 833,359,000</b>	<b>P -</b>
Corporate Funds	55,000,000	55,000,000	-
National Government (NG) Support	778,359,000	778,359,000	-
<b>TOTAL USES:</b>	<b>P 833,359,000</b>	<b>P 826,090,000</b>	<b>P (7,269,000)</b>
Personnel Services (PS)	232,928,000	232,329,000	(599,000) a/
Maintenance and Other Operating Expenses (MOOE)	339,440,000	332,770,000	(6,670,000) b/
Capital Outlays (CO)	260,991,000	260,991,000	c/ -
<b>Excess/(Shortfall)</b>	<b>P -</b>	<b>P 7,269,000</b>	<b>P 7,269,000</b>

**Footnotes:**

a/ The variance of P599,000 pertains to the following overprovision:

Particulars	Amount	Remarks
• Salaries, Regular	P 465,000	Rates computed based on Executive Order No. 201, 3rd tranche
• Midyear and Year-end Bonus	77,000	- Equivalent to 2 months salary only
• Life and Retirement Insurance Premium	57,000	- Equivalent to 12% of salaries
<b>Total</b>	<b>P 599,000</b>	

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 165,300,000
Office Equipment, Furniture and Fixtures	9,679,000
Machineries and Equipment Outlay	80,312,000
Transportation Equipment	5,700,000
<b>TOTAL</b>	<b>P 260,991,000</b>

The purchase of two (2) 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:

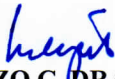
- All expenditures, whether for current operating expenditures or for COs, shall be made within the limits of available funds realized from corporate receipts, authorized corporate borrowings and National Government budgetary support either in the form of subsidy, equity or loans outlay.

**TO: PHILIPPINE RICE RESEARCH INSTITUTE (PhilRice)**

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. 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 unconscionable expenses shall be incurred pursuant to A.O. No. 6 dated September 19, 2017.
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

Date: **FEB 26 2018**

COB-C1-18-0004

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

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

**The Resident Auditor**  
COA -PhilRice

Department of Budget and Management  
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