



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

W-4-24
Sir Abner, Chelle, Doreliz,
Grace C.
Fyi pls.
cc: Dore Jim,
Dore Kay
OSO/Telete
John de

CORPORATE OPERATING BUDGET
Fiscal Year 2021

TO: PHILIPPINE RICE RESEARCH INSTITUTE (PhilRice)

Your Corporate Operating Budget (COB) for Fiscal Year 2021 per approved PhilRice Board of Trustees Special Resolution No. 1 dated March 31, 2021 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 **THREE BILLION SIX HUNDRED EIGHTY-FOUR MILLION NINE HUNDRED FIFTY-SEVEN THOUSAND PESOS ONLY (P3,684,957,000)**, details of which are shown below:

PARTICULARS	PROPOSAL (a)	APPROVED (b)	VARIANCE (c=b-a)
TOTAL SOURCES:	P 3,774,995,000	P 3,774,995,000	P -
Corporate Funds	37,807,000	37,807,000	-
National Government (NG) Support	637,188,000	637,188,000	-
Rice Competitiveness Enhancement Fund	3,100,000,000	3,100,000,000	-
TOTAL USES:	3,774,995,000	3,684,957,000	(90,038,000)
Personnel Services (PS)	267,584,000	266,322,000	(1,262,000) a/
Maintenance and Other Operating Expenses (MOOE)	3,482,457,000	3,393,729,000	(88,728,000) b/
Capital Outlays (CO)	24,954,000	24,906,000	(48,000) c/
Excess/(Shortfall)	P -	P 90,038,000	P 90,038,000

Footnotes:

a/ The variance of P1,262,000 is broken down as follows:

Particulars	Amount
• Salaries	P 536,000
• Midyear and Year-end Bonus	90,000
• Retirement and Life Insurance Premium	64,000
• PhilHealth Contribution	572,000
Total	P 1,262,000

a/ The MOOE level is computed considering actual expenses for the previous years and the effects of inflation and the submitted actual expenses as of June 30, 2021. The details of variance are as follows:

Particulars	Amount
• Training and Seminar Expense	P 42,233,000
• Water, Illumination and Power Service	3,693,000
• Representation Expenses	6,263,000
• Donation	28,000
• Repair and Maintenance of Government Facilities	22,461,000
• Other Maintenance and Other Operating Expenses	14,050,000
Total	P 88,728,000

c/ The recommended CO level is broken down as follows:

Particulars	Amount
• Building and Structures Outlay	P 20,691,000
• Machineries and Equipment Outlay *	2,765,000
• Transportation Equipment Outlay *	1,450,000
TOTAL	P 24,906,000

d/ The CO level includes the procurement of one (1) unit motor vehicle which is recommended consistent with the existing DBM guidelines and the vehicle classification as provided under Budget Circular No. 2019-2 dated March 4, 2019 and Annex B of the DBM Budget Circular No. 2017-1 dated April 26, 2017. Attached is APMV No. C-21-0065, authorizing the PhilRice to procure the motor vehicle within the current year.

Notwithstanding the above-indicated variances in PS, MOOE and CO, the PhilRice has the flexibility to modify its utilization within the DBM-approved budget level for items funded out of corporate funds. In the case of those funded out of NG budgetary support, Section 72 of the General Provisions of RA No. 11518 on the rules on the modification in allotment shall apply.

TO: PHILIPPINE RICE RESEARCH INSTITUTE (PhilRice)

The following conditions shall be observed and complied with:

1. 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 NG 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.
3. This approval shall not be construed as an authorization for specific expenditure items under PS which requires prior approval by the OP. 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 Government-Owned and Controlled Corporations (GOCCs) covered by RA No. 10149. Such expenditures shall also be subject to relevant conditions under the GPs of the annual General Appropriations Act (GAA) or any specific law or approval of the President of the Philippines or Secretary of Budget and Management or the Governance Commission for GOCCs, as the case may be.
4. Disbursements for Extraordinary and Miscellaneous Expenses and other MOOE expenditures shall be subject to the relevant provisions of the annual GAA, among others.
5. For equipment outlays included in the Annual Procurement Program that require specific clearance/approval from the agencies concerned, the same shall be secured before acquisition thereof. Examples: Department of Information and Communications Technology for procurement of information and communication technology equipment covered by the GOCC's Information System Strategic Plan, and OP/Department of Budget and Management/Supervising Department for the purchase of MVs, in accordance with Corporate Budget Circular No. 17 dated February 9, 1996, Administrative Order (AO) No. 14 dated December 10, 2018; Budget Circular (BC) No. 2019-2 dated March 4, 2019; Office of the President Memorandum Circular No. 9 dated December 14, 2010. Further, the classification/s and specifications of
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 unconscionable 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:

Digitally signed by
Elena Regina S.
Brillantes
ELENA REGINA S. BRILLANTES
OIC-Director, BMB-C
Date: SEP 20 2021

Approved:


TINA ROSE MARIE L. CANDA
Officer-in-Charge, DBM



COB No. C1-21-0035

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

Assistant Commissioner Winnie Rose H. Encallado

