



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

CORPORATE OPERATING BUDGET

Fiscal Year 2023

TO: PHILIPPINE CENTER FOR ECONOMIC DEVELOPMENT (PCED)

Your Corporate Operating Budget (COB) for FY 2023 per approved Board Resolution No. 4, dated March 29, 2023, 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 amount of **FIFTY-SIX MILLION SIX HUNDRED NINETY-SEVEN THOUSAND PESOS ONLY (P56,697,000.00)**, details of which are shown below:

PARTICULARS	PROPOSAL (a)	APPROVED (b)	VARIANCE (c=b-a)
TOTAL SOURCES	P 57,424,000	P 57,424,000	P -
Corporate Funds	19,989,000	19,989,000	-
National Government (NG) Support	37,435,000	37,435,000	-
TOTAL USES	P 57,424,000	P 56,697,000	P (727,000)
Personnel Services (PS)	6,849,000	6,808,000 a/	(41,000)
Maintenance & Other Operating Expenses (MOOE)	50,575,000	49,889,000 b/	(686,000)
Capital Outlays (CO)	-	-	-
Excess	P -	P 727,000	P (727,000)

Footnotes:

a/ The recommended PS level will cover the basic salaries, benefits and allowances for the full year of 100 positions, computed based on the prescribed rates per Republic Act No. 11466, and on the specific General Provisions of the FY 2023 General Appropriations Act (GAA), Republic Act No. 11936. The variance corresponds to the overprovision for mid-year and year-end bonuses and Philhealth contribution.

b/ The approved MOOE level is computed considering the PCED's absorptive capacity for the last three (3) immediately preceding years, wherein the highest Budget Utilization Rate (BUR) is applied to MOOE items, except those covered by NG subsidy and contracts. Meanwhile, the variance of P686,000.00 pertains to the effect of the preceding year's BUR.

Notwithstanding the aforementioned variances in PS and MOOE, the PCED still has the flexibility to modify its utilization within the DBM-approved budget level for items funded out of corporate funds.


Further, 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. Such expenditures shall also be subject to relevant conditions under the GPs of the annual GAA or any specific law or approval of the President of the Philippines and/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.

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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. Example: OP/Department of Budget and Management/Supervising Department for the purchase of MV, if any, in accordance with the provisions of the Budget Circular No. 2022-01 dated February 11, 2022 (Omnibus Guidelines on the Acquisition, Use, Rental, and Replacement of MVs), RA No. 9184 (Government Procurement Reform Act) and its Implementing Rules and Regulations, among others.
6. Electronic payment shall be observed in the disbursement of corporate and public funds. In case when the same is impracticable, the GOCC shall be allowed to continue with the existing payment scheme.
7. Pursuant to AO No. 6 dated September 19, 2017, no irregular, unnecessary, extravagant, excessive and unconscionable expenses shall be incurred. Furthermore, existing laws, rules and regulations mandating the judicious and prudent use of government funds shall be observed.
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
Director, BMB-C

Approved:

By Authority of the Secretary:


CRISTINA B. CLASARA
Acting Undersecretary, DBM
Date: April 20, 2023

cf: **The Chairman**
Board of Directors, PCED

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

The Resident Auditor
COA - PCED

COB No. C4-23-0026

**PHILIPPINE CENTER FOR
ECONOMIC DEVELOPMENT
RECEIVED**

By: WENIE ENCALLADO
Date: 4/26/2023