



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

CORPORATE OPERATING BUDGET
 Fiscal Year 2019

TO: PHILIPPINE INSTITUTE FOR DEVELOPMENT STUDIES (PIDS)

Your Corporate Operating Budget (COB) for Fiscal Year 2019 per Board Resolution No. 2019-07 dated May 23, 2019, 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 amount of **TWO HUNDRED TWENTY MILLION ONE HUNDRED SEVENTY ONE THOUSAND PESOS ONLY (P220,171,000.00)**, with details shown below:

PARTICULARS	PROPOSAL (a)	APPROVED (b)	VARIANCE (c=b-a)
TOTAL SOURCES:	P 232,519,000	P 232,519,000	P -
Corporate Funds	66,825,000	66,825,000	-
General Fund/NG Support	165,694,000	165,694,000	-
TOTAL USES:	P 232,519,000	P 220,171,000	P (12,348,000)
Personnel Services (PS)	120,096,000	120,096,000	a/ -
Maintenance & Other Operating Exp. (MOOE)	103,527,000	91,179,000	(12,348,000) b/
Capital Outlays (CO)	8,896,000	8,896,000	c/ -
Excess / (Shortfall)	P -	P 12,348,000	P 12,348,000

Footnotes:

a/ The PS requirements take into consideration the 4th tranche of compensation adjustment authorized per Executive Order No. 201

b/ The recommended MOOE is computed based on the level of actual/audited expenses for FYs 2017 and 2018 plus the effects of inflation computed at 3%. The details of the variance between proposal and recommendation is as follows:

Particulars	Amount
Travelling Expenses	7,149,000
Representation/Cost of Meetings	3,710,000
Supplies and Materials	732,000
Repair and Maintenance - Leased Assets Improvement	376,000
Repair and Maintenance - Motor Vehicles	304,000
Fuel, Oil and Lubricants Expenses	59,000
Bank Charges	18,000
TOTAL	12,348,000

c/ The approved CO level which corresponds to your proposal, is broken down as follows:

Particulars	Amount
Leasehold Improvement	100,000
Furniture, Fixtures, Equipment and Books Outlay	111,000
Information Technology Equipment	6,130,000
Communication Equipment	555,000
Transportation Equipment *	2,000,000
TOTAL	8,896,000

* Consistent with the provisions of Administrative Order (AO) No. 14 dated December 10, 2018, the proposed acquisition of motor vehicle is approved by the Department of Budget and Management through an Authority to Purchase Motor Vehicle per attached **Annex A**, and shall be subject to prior approval from the National Economic and Development Authority (NEDA), as the supervising body of the PIDS.

Notwithstanding the above- indicated variances in PS and MOOE, the PIDS has the flexibility to modify its utilization provided within the DBM-approved budget level for current operating expenses (PS and MOOE). In case of those funded out of national government support, Section 76 of the GP of RA No. 11260 on the rules on the modification in the allotment shall apply.

Further, 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 contribution, 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 Office of the President (OP). Disbursement 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 be subject to relevant conditions under the General Provisions of the annual GAA or any specific law or approval of the OP and/or Secretary of Budget and Management or the GCG, as the case may be.
4. Disbursements for Extraordinary and Miscellaneous Expenses and other MOOE expenditures shall be subject to relevant provision of the annual GAA, among others.
5. For Equipment Outlays included in the FY 2019 Annual Procurement Program that require specific clearance/approval from the Agencies concerned, the same shall be secured before acquisition thereof. (Example: The purchase of ICT equipment should be covered by the Institute's Information System Strategic Plan, subject to the approval by the Department of Information and Communications Technology (Medium-Term Information and Communications Technology Harmonization Initiative), 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 unconscionable expenses shall be incurred pursuant to A.O. 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 and 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. MAHINAY

Director, BMB - C

Date: 8-14-19

Approved:

By Authority of the Acting Secretary:


TINA ROSE MARIE L. CANDIA

Undersecretary

COB No. C3-19-0019 SEP 02 2019

cc: The Chairman
Board of Trustees, PIDS

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

The Resident Auditor
COA - PIDS

Department of Budget and Management
BTS



2019-S14935L