



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

CORPORATE OPERATING BUDGET

Calendar Year 2016

TO: PHILIPPINE INTERNATIONAL TRADING CORPORATION (PITC)

Your Corporate Operating Budget (COB) for Calendar Year 2016 per approved Board Resolution No. 2016-02-001 dated April 19, 2016 and Supplemental Budget per Board Approval dated June 29, 2016, 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 **ONE HUNDRED TWENTY TWO MILLION FIVE HUNDRED TWELVE THOUSAND PESOS ONLY (P122,512,000.00)**, details of which are shown below:

PARTICULARS	PROPOSAL (a)	APPROVED (b)	VARIANCE (c=b-a)
TOTAL SOURCES:			
Corporate Funds	P 140,456,000	P 140,456,000	P -
Other Income	104,237,000	104,237,000	-
	36,219,000	36,219,000	-
TOTAL USES:			
Personnel Services (PS)	P 128,680,000	P 122,512,000	P (6,168,000)
Maintenance & Other Operating Expenses (MOOE)*	50,732,000	50,699,000	(33,000) ^{a/}
Capital Outlays (CO)	70,738,000	64,603,000 ^{b/}	(6,135,000)
	7,210,000	7,210,000 ^{c/}	-
Excess/(Shortfall)	P 11,776,000	P 17,944,000	P 6,168,000

*net of non-cash item P425,000

Footnotes:

a/ Computation is based on the actual Personnel services requirements of seventy (70) filled positions; variance due to over-computation of PHILHEALTH Premiums.

b/ MOOE level is computed considering actual/audited expenses for the previous years (CY 2014-CY 2015) plus effects of inflation.

c/ CO is intended for the following:

Land & Land Improvements Outlay	P 150,000
Office Equipment, Furniture & Fixture	3,360,000
Transportation Equipment	3,700,000
	<u>P 7,210,000</u>

The amount of P3,700,000 for the acquisition of four (4) units of motor vehicles shall be evaluated pursuant to the provisions of Administrative Order (A.O.) No. 233 as amended by A.O. No. 15 and Budget Circular No. 2016-5 dated August 22, 2016, as well as OP Memorandum No. 9 dated December 14, 2010 and acted upon separately.

The approval of the COB shall be subject to the following conditions:

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 or loans outlay.
2. Disbursements for personnel amelioration/benefit shall be subject to the pertinent compensation laws, rules and regulations, including E.O. Nos. 7 and 24 dated September 8, 2010 and February 10, 2011, respectively. Such expenditures shall also be conditioned on the relevant General Provisions of Republic Act No. (R.A.) No. 10717, the FY 2016 General Appropriations Act (ex. Representation and Transportation Allowances under Section 59, General Provisions), or any specific law or approval of the President of the Philippines or Secretary of Budget and Management, as the case maybe.

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3. Disbursements for extraordinary and miscellaneous expenses shall be subject to Section 47, General Provisions of R.A. No. 10717.
4. For equipment items per Annual Equipment Procurement Program that require specific clearance/approval from the Agencies concerned (ex. National Computer Center 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, National Budget Circular Nos. 446 and 446-A dated November 24, 1995 and January 30, 1998, respectively, Budget Circular No. 2016-5 dated August 22, 2016, Administrative Order (A.O.) No. 233 dated August 1, 2008, Office of the President Memorandum Circular No. 9 dated December 14, 2010 and A.O. No. 15 dated May 25, 2011, among others.
5. The fiscal discipline measures prescribed under A.O. No. 103 dated August 31, 2004 shall be observed.
6. 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.
7. The pertinent laws, rules and regulations including those on compensation, procurement, budgeting, accounting and auditing shall be strictly followed. Compliance with all existing laws, rules and regulations shall be the responsibility of the implementing government corporation.

Recommending Approval:

Approved:

Lorenzo C. Drapete
LORENZO C. DRAPETE
Director, Budget and Management Bureau

Benjamin E. Diokno
BENJAMIN E. DIOKNO
Secretary

Date: **SEP 14 2016**

COB-C4-16-0022

cc: The Chairman
Board of Directors, PITC

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

The Resident Auditor
COA-PITC

Department of Budget and Management
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