



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

CORPORATE OPERATING BUDGET
 Calendar Year 2015

TO: PHILIPPINE COCONUT AUTHORITY (PCA)

Your Corporate Operating Budget (COB) for Calendar Year 2015 per approved Board of Governors Resolution No. 057-2015 dated March 20, 2015, 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 not exceeding **EIGHT BILLION SIX HUNDRED FIFTY SEVEN MILLION FIVE HUNDRED SIXTY EIGHT THOUSAND FOUR HUNDRED FORTY PESOS ONLY (P8,657,568,440)** details of which are shown below:

Particulars	Proposal (a)	Approved (b)	Variance (c=b-a)
TOTAL SOURCES:	P 9,259,775,820	P 9,259,775,820	-
Corporate Funds	P 4,833,658,820	P 4,833,658,820	-
General Fund/NG Support	4,426,117,000	4,426,117,000	-
TOTAL USES:	P 9,259,775,820	P 8,657,568,440	P (602,207,380)
Personal Services (PS)	P 405,903,000	P 403,074,000	P (2,829,000) a/
Maintenance and Other Operating Expenses (MOOE)	6,303,448,380	5,704,070,000	(599,378,380) b/
Capital Outlays (CO)	2,549,586,360	c/ 2,549,586,360	-
Loan Amortization	838,080	e/ 838,080	-
Excess/Shortfall	P	P 602,207,380	P 602,207,380

Footnotes:

a/ The variance of P2,829,000 refers to overprovision for the following:

1. Overprovision

Salaries	P	44,000	Based on SSL-Fourth Tranche Rate
Year-End Bonus		3,000	1 mo. salary for 826 authorized positions
Representation & Transportation Allowance		624,000	Based on GAA rates
Productivity Incentive Benefits		1,652,000	No more PIB starting FY 2015 pursuant to CSC-DBM Joint Circular No. 1, s. 2012
Loyalty Award		500,000	Chargeable to agency savings
Life and retirement Insurance Premium		6,000	12% of basic salary
Total	P	2,829,000	

b/ MOOE level computed considering actual/audited expenses for the previous years and effects of inflation.

c/ Capital Outlay is for the following:

Land and Land Improvements Outlay	P	800,000
Machineries and Equipment Outlay		819,345,000
Transportation Equipment		1,600,000

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Building and Structures Outlay	198,268,000
Office Equipment, Furniture and Fixtures	29,573,000
Public Infrastructure	<u>1,500,000,000</u>
Total	P <u>2,549,586,000</u>

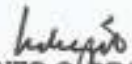
d/ The purchase of transportation equipment needs prior approval from the Office of the President (OP)/ DBM or Supervising Department, as the case, maybe. This will be acted upon separately.

e/ For the principal loan amortization of PCA's loan from the Land Bank of the Philippines.

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

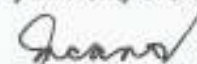
1. All expenditures, whether for current operating expenditures or CO, shall be made within the limits of available funds realized from corporate receipts, authorized corporate borrowings and National Government budgetary support either in the form of subsidy, equity or loans outlay.
2. Disbursements 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 (R.A.) No. 10651, the FY 2015 General Appropriations Act (ex. Representation and Transportation Allowances under Section 56, General Provisions), or any specific law or approval of the President of the Philippines or Secretary of Budget and Management, as the case maybe.
3. Disbursement for extraordinary and miscellaneous expenses shall be subject to Section 41, General Provisions of R.A. No. 10651
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, 1996, respectively, Budget Circular No. 2010-2 dated March 1, 2010, 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 strictly 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:


LORENZO C. DRAPETE
Director, BMB-GGS

Approved:

By Authority of the Secretary


LUZ M. CANTOR
Undersecretary

Date: _____

NOV 11 2015

COB No. C1-15-0045

cc: The Chairman
Board of Directors, PCA

The Resident Auditor
COA - PCA

Department of Budget and Management
BTS



Assistant Commissioner Lourdes M. Castillo
Commission on Audit (COA) - Central Office

2015-S09862L