



REPUBLIC OF THE PHILIPPINES
Department of Budget and Management
 Malacañang, Manila

CORPORATE OPERATING BUDGET

Fiscal Year 2012

TO: PHILIPPINE CENTER FOR ECONOMIC DEVELOPMENT (PCED)

Your Corporate Operating Budget (COB) for Calendar Year 2012 per Board Resolution No. 1 dated October 21, 2011 submitted pursuant to Section 6 of Executive Order (E.O.) No. 518, s. 1979 and Section 19, Chapter 3, Book VI of E.O. No. 292, series of 1987, is hereby approved for a total amount of **THIRTY TWO MILLION SEVENTY ONE THOUSAND PESOS ONLY (P32,071,000)**, details of which are shown below:

PARTICULARS	PROPOSAL (a)	APPROVED (b)	VARIANCE (c=b-a)
TOTAL SOURCES:	P 47,546,000	P 47,546,000	P -
Corporate Income	7,436,000	7,436,000	-
Others: Cash Balance, Beginning	25,610,000	25,610,000	-
National Government Subsidy	14,500,000	14,500,000	-
TOTAL USES	P 32,250,000	P 32,071,000	P (179,000)
Personal Services (PS)	2,500,000	2,361,000	(139,000) a/
Maintenance & Other Operating Expenses (MOOE)	20,350,000	20,310,000	(40,000) b/
Capital Outlays (CO)	9,400,000	9,400,000	c/ -
Excess/Shortfall	P 15,296,000	P 15,475,000	P 179,000

Footnote:

a/ - Variance represents the following:

Productivity Enhancement Incentive	P 60,000	No legal basis
Monetization of leave credits	38,000	Chargeable against savings
Loyalty awards	5,000	Chargeable against savings
Rice subsidy	36,000	No legal basis
Total	<u>P 139,000</u>	

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

c/ Capital Outlays provision is intended for the following:

Purchase of computer and peripherals	P 250,000	
Purchase of airconditioners	150,000	
PCED building and rooms rehabilitation	9,000,000	
Total	<u>P 9,400,000</u>	

The approval of the FY 2012 COB shall be subject to the following conditions:

1. All expenditures, whether for current operating expenditures or for 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 outlays.
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 R.A. No. 10155, the FY 2012 GAA (ex. Representation and Transportation Allowance under Section 44, General Provisions), or any specific law or approval of the President of the Philippines or the Secretary of Budget and Management, as the case may be.
3. Disbursements for extraordinary and miscellaneous expenses shall be subject to Section 22, General Provisions of R.A. No. 10155.
4. Disbursements from the Confidential and Intelligence Fund shall be covered by an approval from the President of the Philippines.
5. 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 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. 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.

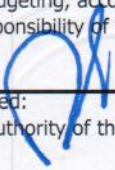

6. The fiscal discipline measures prescribed under A.O. No. 103 dated August 31, 2004 shall be observed.
7. It is understood that this review action does not authorize any item of expenditure that is prohibited by or inconsistent with the provisions of law.
8. The pertinent laws, rules and regulations 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 

Approved:

By Authority of the Secretary:


MARIO L. RELAMPAGOS
Undersecretary 

COB No. F4-12-0003

Date: June 14, 2012

cc: The Chairman
Board of Trustees, PCED

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

The Resident Auditor
PCED