



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT

CORPORATE OPERATING BUDGET

Fiscal Year (FY) 2024

TO: SUBIC BAY METROPOLITAN AUTHORITY (SBMA)

Your Corporate Operating Budget (COB) for FY 2024 per approved Board Resolution No. 24-03-0538 dated March 8, 2024, submitted pursuant to Section 6 of Executive Order (EO) No. 518, series (s.) of 1979, and Section 19, Chapter 3, Book VI of EO No. 292, s. of 1987, is hereby approved for a total of **SIX BILLION SIX HUNDRED EIGHTY-SEVEN MILLION ONE HUNDRED NINETY-NINE THOUSAND PESOS ONLY (P6,687,199,000.00)**, details of which are shown below:

PARTICULARS	PROPOSAL (a)	APPROVED (b)	VARIANCE (c=b-a)
TOTAL SOURCES:	P 8,318,241,000	P 8,318,241,000	P -
Corporate Funds	7,323,576,000	7,323,576,000	-
National Government (NG) Subsidy	994,665,000	994,665,000	-
TOTAL USES:	7,121,081,000	6,687,199,000	(433,882,000)
Personnel Services (PS)	1,156,473,000	1,156,473,000	a/ -
Maintenance and Other Operating Expenses (MOOE)	1,302,348,000	886,914,000	b/ (415,434,000)
Capital Outlays (CO)	2,845,513,000	2,827,065,000	c/ (18,448,000)
Other Expenditures	1,816,747,000	1,816,747,000	d/ -
Excess/(Shortfall)	P 1,197,160,000	P 1,631,042,000	P 433,882,000

Footnotes:

a/ PS level is recommended as proposed for budgetary purposes, pending DBM's approval of the SBMA's modified 2022 Organizational Structure and Staffing Pattern.

b/ The recommended MOOE level is computed considering the SBMA's absorptive capacity for the three (3) immediately preceding years, applying the year with the highest BUR to determine the FY 2024 MOOE level. The variance amounting to P415,434,000 pertains to the effect of the application of BUR in FY 2022 i.e., 68.10%.

c/ The recommended CO level considers the implementation-readiness of the projects and activities under the respective CO items which are expected to be completed within the year as certified by the SBMA. The variance of P18,448,000 pertains to the overprovision in the cost of nineteen (19) units of motor vehicles (i.e., 10 Electric Bus, 1 Minibus and 8 Vans).

The recommended amount for transportation equipment is composed of the following:

1. P150,000,000 for the purchase of ten (10) units of electric bus (pure battery) per Authority to Purchase Motor Vehicle (APMV) No. C-24-0012 dated December 27, 2023; and
2. P352,976,000 for the purchase of thirty seven (37) units of motor vehicles per APMV No. C-24-0035.

d/ Other expenditure items are intended to finance the payment of: a) Debt Service and Financing Charges (P302,420,000), b) income tax (P206,551,000), c) Directors and Officers Liability Fund (P2,500,000), and d) dividend to the NG (P1,305,276,000).

Notwithstanding the abovementioned variances in MOOE and CO, the SBMA still has the flexibility to modify its utilization within the total DBM-approved budget level.

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 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 Office of the President (OP). **Disbursement for PS shall strictly observe pertinent compensation laws, rules and regulations**, including EO Nos. 7, s. 2010 and 24, s. 2011, respectively and EO No. 150, s. 2021, for Government-Owned or-Controlled Corporations (GOCCs) covered by RA No. 10149. Such expenditures shall be subject to relevant conditions under the General Provisions (GPs) of the annual General Appropriations Act (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 MOOE expenditures shall be subject to the relevant provisions of the annual GAA and such other guidelines issued for the purpose. Examples: Payment of Extraordinary and Miscellaneous Expenses pursuant to Section 51 of GP of FY 2024 GAA, Disbursements of Confidential and Intelligence Funds pursuant to Sections 84 and 85 of GP of FY 2024 GAA and COA-DBM-DILG-GCG-DND Joint Circular No. 2015-01, 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, e.g., Department of Information and Communications Technology for procurement of information and communication technology equipment covered by the GOCC's Information System Strategic Plan, and OP/DBM/Supervising Department for the purchase of motor vehicles, in accordance with Budget Circular Nos. 2022-1 and 2022-1A [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 funds and public funds. In case 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 existing laws, rules and regulations.
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, s. 1987.

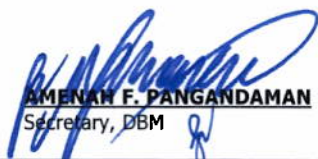
Recommending Approval:


Digitally
signed by
Lulu P.
Vispo

for:

ELENA REGINA S. BRILLANTES
Director IV, BMB-C

Approved:


AMENAH F. PANGANDAMAN
Secretary, DBM

Cf: **The Chairman and Administrator**
Board of Directors, SBMA

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

The Resident Auditor
COA - SBMA

COB No. C3-24-0038

Date: 12 2 APR 2024