



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
GENERAL SOLANO STREET, SAN MIGUEL, MANILA

CORPORATE OPERATING BUDGET

Fiscal Year 2021

TO: SUBIC BAY METROPOLITAN AUTHORITY (SBMA)

Your Corporate Operating Budget (COB) for Fiscal Year 2021 per approved Board Resolution Nos. 21-01-1917 and 21-04-2010 dated February 9, 2021 and April 27, 2021, respectively, submitted pursuant to Section 6 of Executive Order (EO) No. 518, series of 1979 and Section 19, Chapter 3, Book VI of EO No. 292, series of 1987, is hereby approved for a total of **FOUR BILLION SEVEN HUNDRED FORTY-FIVE MILLION FOUR HUNDRED SIXTY-NINE THOUSAND PESOS ONLY (P4,745,469,000.00)**, details of which are shown below:

PARTICULARS	PROPOSAL (a)	APPROVED (b)	VARIANCE (c=b-a)
TOTAL SOURCES:	P 6,377,646,000	P 6,377,646,000	-
Corporate Funds	5,285,978,000	5,285,978,000	-
National Government (NG) Budgetary Support	1,091,668,000	1,091,668,000	-
TOTAL USES:	P 5,148,381,000	P 4,745,469,000	P (402,912,000)
Personnel Services (PS)	1,098,525,000	1,059,693,000	(38,832,000) a/
Maintenance and Other Operating Expenses (MOOE)	2,447,717,000	2,099,362,000	(348,355,000)
Regular	1,181,134,000	852,088,000	(329,046,000) b/
Debt Service	276,403,000	257,094,000	(19,309,000) c/
Dividends to National Government	990,180,000	990,180,000	-
Capital Outlays (CO)	1,602,139,000	1,586,414,000	(15,725,000) d/
Excess/(Shortfall)	P 1,229,265,000	P 1,632,177,000	P 402,912,000 e/

Footnotes:

a/ The variance of **P38,832,000** for PS represents the following:

• Allocation for new hire/to be filled-up	P 8,509,000	Monetization and excess provision of RATA for fifty-eight (58) positions to be filled-up.
• Representation & Transportation Allowances	1,464,000	Excess provision of the authorized RATA rates per FY 2021 General Appropriations Act.
• Per Diem of Board of Directors	7,949,000	Excess provision of the per diem rates based on Executive Order (EO) No. 24.
• Performance-Based Bonus	3,331,000	Based on actual pay-out.
• Night differential pay	17,289,000	Pegged at 2020 level.
• PhilHealth Contributions	290,000	Excess provision of PhilHealth Contributions.
Total	P 38,832,000	

b/ The variance of **P329,046,000** for MOOE pertains to the following:

Excess computation for non-core function items which were computed based on the highest actual/audited expenses in 2019 and 2020 plus inflation rate, or the proposal amounts whichever is lower:

Particulars	Amount
Communication Expenses	P 5,118,000
Repair & Maintenance of Government Vehicles	4,409,000
Gasoline, Oil and Lubricants	4,356,000
Supplies and Materials	38,524,000
Interest Expense	9,984,000
Water, Illumination and Power Services	1,930,000
Repairs and Maintenance of Government Facilities	52,463,000
Repair and Maintenance Other Equipment	3,580,000
Extraordinary and Miscellaneous Expenses	135,000
Commitment Fees and Other Charges	26,399,000
Legal Services	59,156,000
Contracts of Service	1,884,000
Board of Directors Reimbursable	6,847,000
Outsourcing Services	110,992,000
Printing Expenses	3,269,000
Total	P 329,046,000

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- c/ The variance of **P19,309,000** corresponds to excess provision based on the SBMA's actual debt-service requirement.
- d/ Includes acquisition cost of **four (4) units of ambulance** consistent with the existing DBM guidelines and the vehicle classification as provided under the Budget Circular No. 2019-2 dated March 4, 2019 and Annex B of the DBM Budget Circular No. 2017-1 dated April 26, 2017. Attached is **APMV No. C-21-0039**, authorizing the SBMA to procure the motor vehicles within the current year.
- e/ The variance of **P15,725,000** for CO pertains to excess provision for modernization of International Ship and Port Facility Security CCTV Surveillance System per coordination with SBMA.

Notwithstanding the above-indicated variances in PS, MOOE and CO, the SBMA has the flexibility to modify its utilization within the DBM-approved budget level for items funded out of the corporate funds. In the case of those funded out of NG budgetary support, Section 72 of General Provisions of RA No. 11518 on the rules on the modification in 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 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. 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 Government-Owned or -Controlled Corporations (GOCCs) covered by RA No. 10149. Such expenditures shall be subject to relevant conditions under the General Provisions 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 extraordinary and miscellaneous expenses (EME) and other MOOE expenditures shall be subject to relevant provisions of the annual GAA, among others.
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 the acquisition thereof. Examples: 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/Department of Budget and Management/Supervising Department for the purchase of motor vehicles (MVs), in accordance with Corporate Budget Circular No. 17 dated February 9, 1996, Administrative Order (AO) No. 14 dated December 10, 2018; Budget Circular (BC) No. 2019-2 dated March 4, 2019; OP Memorandum Circular No. 9 dated December 14, 2010. Further, the classification/s and specifications of subject MV shall be consistent with the provisions of BC No. 2019-3, BC No. 2019-2 and Annex B of BC No. 2017-1, among others.
6. Moreover, it is understood that the acquisition of MVs shall be in accordance with the Government Procurement Reform Act (RA No. 9184) and its Implementing Rules and Regulations, as well as subject to the usual budgeting, accounting, auditing, and other applicable laws, rules and regulations.
7. 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.
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 292.

Recommending Approval:

Digitally signed by
Elena Regina S.
Brillantes
ELENA REGINA S. BRILLANTES
OIC-Director, BMB-C

Date: **OCT 15 2021**

Approved by:



TINA ROSE MARIE L. CANDA
Officer-in-Charge, DBM

COB No. C4-21-0041

cc: The Chairman
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

