



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

CORPORATE OPERATING BUDGET
 Fiscal Year 2018

TO: TOURISM PROMOTIONS BOARD (TPB)

Your Corporate Operating Budget (COB) for Fiscal Year (FY) 2018 per approved TPB Board Resolution No. 151 dated February 12, 2018, 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, s. 1987 and as reiterated in Corporate Budget Circular (CBC) No. 22 dated December 1, 2016, is hereby approved for a total of **TWO BILLION TWO HUNDRED SIXTY-ONE MILLION FIFTY-FOUR THOUSAND PESOS ONLY (P2,261,054,000)**, details of which are shown below:

0	PROPOSAL (a)	APPROVED (b)	VARIANCE (c=a-b)
TOTAL SOURCES:	P 2,305,728,000	P 2,305,728,000	P -
Special Account in the General Fund (SAGF)	1,858,328,000	1,858,328,000	-
Corporate Income	31,200,000	31,200,000	-
Retained Earnings	416,200,000	416,200,000	-
TOTAL USES:	P 2,305,728,000	P 2,261,054,000	P (44,674,000)
Personnel Services (PS)	130,721,000	100,255,000	(30,466,000) a/
Maintenance and Other Operating Expenses (MOOE)	2,165,007,000	2,150,899,000	(14,108,000) b/
Capital Outlays (CO)	10,000,000	9,900,000	c/ (100,000) d/
Excess/(Shortfall)	P -	P 44,674,000	P (44,674,000)

Particulars	Amount	Remarks
a/ The variance of P30.466 Million is due to the following:		
Basic Salary	(20,457,000)	Overprovision for these items because only 30% of seventy-one (71) unfilled positions were considered
Personnel Economic Relief Allowance	(1,176,000)	
Uniform/Clothing Allowance	(294,000)	
Mid-Year Bonus	(1,705,000)	
Year-End Bonus	(1,705,000)	
Cash Gift	(245,000)	
Productivity Enhancement Incentive	(245,000)	
Retirement and Life Insurance Premiums	(2,455,000)	
Employee Compensation Insurance Premiums	(59,000)	
Pag-IBIG Contributions	(59,000)	
PhilHealth Contributions	(269,000)	Rates based on Section 55, General Provisions (GP) of FY 2018 General Appropriations Act (GAA), Republic Act (RA) No. 10964
RATA	(582,000)	
Loyalty Award	(595,000)	
Overtime Pay	(620,000)	Of the 22 personnel listed only 13 are entitled consistent with CSC Memorandum Circular (MC) No. 06, s. 2002
Total	P (30,466,000)	Provision based on 2017 actual



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

CORPORATE OPERATING BUDGET
 Fiscal Year 2018

TO: TOURISM PROMOTIONS BOARD (TPB)

Particulars	Amount	Remarks
b/ The variance of P14.108 Million is due to the following:		
Supplies and Materials	(3,716,000)	Recommendation is based on the higher amount between the FYs 2016 audited and 2017 actual, plus effect of inflation
Utility Expenses	(463,000)	
Communication Expenses	(6,997,000)	
Fidelity Bond Premiums and Insurance Expenses	(157,000)	
Representation Expenses	(1,054,000)	
Transportation Expenses	(106,000)	
Auditing Services	(1,123,000)	- Based on Commission on Audit assessment for FY 2018
Per Diem of Board of Directors	(492,000)	- Computed based on EO No. 24 and Section 42 of RA No. 9593
Total	P (14,108,000)	

c/ The CO is intended to the following:

Machinery and Equipment Outlay	P 1,287,000
Furniture, Fixtures and Books Outlay	6,113,000
Transportation Equipment Outlay	2,500,000
Total	P 9,900,000

d/ The variance of P100,000 represents the overprovision in the proposal for the purchase of Motor Vehicle, wherein the recommended amount was based on the DBM updated maximum allowable cost of motor vehicles for FY 2018.

Notwithstanding the above indicated variances in PS, MOOE and CO, the TPB has the flexibility to modify its utilization within the DBM-approved budget level for each allotment class for items funded out of corporate funds. In case of those funded out of National Government budgetary support (SAGF), Section 72 of the General Provisions of RA No. 10964 on the rules on the modification in the allotment shall apply.

The following conditions shall be observed and complied with:

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. 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). Disbursements for personnel services shall be subject to the pertinent compensation laws, rules and regulations, including EO Nos. 7 (s. 2010), 24 (s. 2011) and 201 (s. 2016). Such expenditures shall be consistent with EO No. 76, s. 2012 and also be conditioned on the relevant GP of RA No. 10964 (FY 2018 GAA) or any specific law or approval of the President of the Philippines or Secretary of Budget and Management, as the case may be.
4. Disbursements for Extraordinary and Miscellaneous Expenses (EME) and other MOOE expenditures shall be subject to the relevant provision of the annual GAA.
5. Collective Negotiations Agreement (CNA) may be granted to qualified personnel subject to the relevant provisions of the annual GAA and policies, rules and regulations issued by the DBM.



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

CORPORATE OPERATING BUDGET
Fiscal Year 2018

TO: TOURISM PROMOTIONS BOARD (TPB)

6. Equipment outlays included in the Annual Equipment Procurement Program that require specific clearance/approval from the departments/agencies concerned (e.g., Department of Information and Communications Technology for information technology equipment and OP/DBM/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, BC No. 2017-1 dated April 26, 2017, OP Memorandum Circular No. 9 dated December 14, 2010 and Administrative Order (AO) No. 15 dated May 25, 2011, among others.
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. Notwithstanding the repeal of AO No. 103, existing laws, rules and regulations mandating the judicious and prudent use of government funds shall be observed. No irregular, unnecessary, extravagant, excessive and unconscionable expenses shall be incurred pursuant to AO No. 6 dated September 19, 2017.
9. 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.
10. 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.

Recommending Approval:


CARMENCITA P. MAHINAY
Director, BMB-C

Date: 16-24-18 **OCT 26 2018**

Approved:

By Authority of the Secretary:


TINA ROSE MARIE L. CANDA
Undersecretary

COB No. **C4-2018-0046**

cc: The Chairman
Board of Directors, TPB

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

The Resident Auditor
COA - TPB

Department of Budget and Management
BTS



2018-S11569L