



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

CORPORATE OPERATING BUDGET

Fiscal Year (FY) 2020

TO: TOURISM PROMOTIONS BOARD (TPB)

Your Corporate Operating Budget (COB) for FY 2020 per approved TPB Board Resolution No. 251 dated May 26, 2020, 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 **ONE BILLION ONE HUNDRED SIXTY ONE MILLION FOUR HUNDRED ONE THOUSAND PESOS ONLY (P1,161,401,000.00)**, details of which are shown below:

Particulars	Proposal (a)	Approved (b)	Variance (c=a-b)
TOTAL SOURCES:	P 1,182,723,000	P 1,182,723,000	P -
Special Account in the General Fund (SAGF)	1,106,412,000	1,106,412,000	-
Corporate Income	76,311,000	76,311,000	-
TOTAL USES:	P 1,182,723,000	P 1,161,401,000	P (21,322,000)
Personnel Services (PS)	122,002,000	a/ 102,166,000	b/ (19,836,000)
Maintenance and Other Operating Expenses (MOOE)	1,054,044,000	c/ 1,052,558,000	d/ (1,486,000)
Capital Outlays (CO)	6,677,000	e/ 6,677,000	-
Excess/(Shortfall)	P -	P 21,322,000	P (21,322,000)

a/ Excludes the amount of P498 Million for Extraordinary and Miscellaneous Expenses (EME) which is realigned to MOOE.

Particulars	Amount	Remarks
b/ The variance refers to the following:		
Uniform/Clothing Allowance	P 174,000	- Corresponds to the requirements of unfilled positions that were not considered. Recommended level considers the hiring of only 17 positions, in addition to the 106 filled positions, or a total of 123 positions.
Educational Bonus	4,532,000	} No legal basis
Socio-Economic Bonus	6,017,000	
Christmas Bonus	5,881,000	
Provision for SSL 5 Adjustments	3,232,000	
Total	P 19,836,000	

c/ Includes the amount of P498 Million for EME which is realigned from PS to MOOE.

Particulars	Amount	Remarks
d/ The variance refers to the following:		
Repair and Maintenance	P 744,000	} Adjustments in the MOOE computation based on the higher amount between the FYs 2017 audited and 2018 actual, plus effect of inflation, or proposal, whichever is lower
Fidelity Bond Premiums	6,000	
Insurance Expenses	61,000	
Membership Dues and Contributions to Organizations	675,000	
Total	P 1,486,000	
e/ CO is intended to the following:		
Machinery and Equipment Outlay	P 5,827,000	} Supported with FY 2020 details of annual equipment procurement plan
Furniture, Fixtures and Books Outlay	850,000	
Total	P 6,677,000	

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Notwithstanding the above indicated variances in PS and MOOE, the TPB has the flexibility to modify its utilization within the DBM-approved budget level for items funded out of corporate funds. In the case of those funded out of National Government budgetary support, Section 70 of the General Provisions of RA No. 11465 on the rules on modification in 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 of 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), 201 (s. 2016) and 36 (s. 2017). Such expenditures shall be consistent with EO No. 76, s. 2012 and also be conditioned on the relevant GP of FY 2019 GAA or any specific law or approval of the President of the Philippines or Secretary of Budget and Management, as the case maybe.
4. Disbursements for EME and other MOOE expenditures shall be subject to the relevant provision of the annual GAA.
5. 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 (DICT), particularly for Medium-Term Information and Communications Technology Harmonization Initiative Steering Committee, for information technology equipment and OP/DBM/Supervising Department for procurement of motor vehicles), the same shall be secured before acquisition thereof in accordance with CBC No. 17 dated February 9, 1996, BC No. 2017-1 dated April 26, 2017, respectively, OP Memorandum Circular No. 9 dated December 14, 2010, and Administrative Order (AO) 15 dated May 25, 2011, and AO No. 14 dated December 10, 2018, as implemented under BC Nos. 2019-2 and 2019-3 dated March 4 and May 16, 2019, respectively.
6. 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.
7. 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.
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 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

Approved:

By Authority of the Secretary


TINA ROSE MARIE L. CANDIA
Undersecretary

Date: 01-Oct-20

COB No. **C4-20-0011**

cc: The Chairperson
Board of Directors, TPB

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

The Resident Auditor
COA - TPB