



**REPUBLIC OF THE PHILIPPINES**  
**DEPARTMENT OF BUDGET AND MANAGEMENT**  
 GENERAL SOLANO ST., SAN MIGUEL, MANILA

RECEIVED  
 10/14/16

**CORPORATE OPERATING BUDGET**  
 Calendar Year 2016

**TO: PHILIPPINE INSTITUTE OF TRADITIONAL AND ALTERNATIVE HEALTH CARE (PITAHC)**

Your Corporate Operating Budget (COB) for Calendar Year 2016 per Board Resolution No. 10 dated May 5, 2016 submitted pursuant to Section 6 of Executive Order (E.O.) No. 518, series of 1979 and Section 19, Chapter 3, Book VI of E.O. No. 292, series of 1987, is hereby approved for a total of **TWO HUNDRED THIRTEEN MILLION FOUR HUNDRED EIGHTY NINE THOUSAND PESOS ONLY (P213,489,000)**, details of which are shown below:

| PARTICULARS                               | PROPOSAL<br>(a) | APPROVED<br>(b) | VARIANCE<br>(c=b-a) |
|---|-----------------|-----------------|---------------------|
| <b>TOTAL SOURCES:</b>                     | P 228,012,000   | P 228,012,000   | P -                 |
| Corporate Funds                           | 172,366,000     | 172,366,000     | -                   |
| General Fund/NG Support                   | 55,646,000      | 55,646,000      | -                   |
| <b>TOTAL USES:</b>                        | P 228,012,000   | P 213,489,000   | P (14,523,000)      |
| Personnel Services (PS)                   | 70,518,000      | 70,482,000      | (36,000) a/         |
| Maintenance & Other Operating Exp. (MOOE) | 129,790,000     | 119,743,000     | (10,047,000) b/     |
| Capital Outlays (CO)                      | 27,704,000      | 23,264,000 c/   | (4,440,000) d/      |
| <b>Excess / (Shortfall)</b>               | P -             | P 14,523,000    | P 14,523,000        |

**Footnotes:**

a/ The variance of P36,000 refers to the PhilHealth Contributions in excess of the prescribed rates under DBM Budget Circular 2012-12 dated June 29, 2012

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

c/ Excludes additional capital equipment for production. CO is intended for the purchase/renovation of the following:

|  |          |                   |
|--|----------|-------------------|
| Office Equipment, Furniture & Fixtures, and Books Outlay | P        | 2,954,000         |
| Machineries and Equipment Outlay                         |          | 11,330,000        |
| Land and Land Improvements Outlay                        |          | 1,685,000         |
| Building and Structures Outlay                           |          | 7,295,000         |
| <b>TOTAL</b>   | <b>P</b> | <b>23,264,000</b> |

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

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 forms of subsidy, equity or loans outlay.
2. Disbursement 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 Republic Act (R.A.) No. 10717, the FY 2016 General Appropriations Act (ex. Representation and Transportation Allowance under Section 59, General Provisions), or any specific law or approval of the President of the Philippines or Secretary of Budget and Management, as the case maybe.
3. Disbursements for extraordinary and miscellaneous expenses shall be subject to Section 47, General Provisions of R.A. No. 10717
4. For equipment items per Annual Equipment Procurement Program that needs specific clearance/approval from the Agencies concerned (ex. Information and Communications Technology Office (DOST-ICT Office) for information technology equipment and Office of the President/Department of Budget and Management/Supervising Department for motor vehicles), the same shall be secured before acquisition thereof in accordance with National Budget Circular Nos. 446 & 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 and DBM Budget Circular No. 2016-5 dated August 22, 2016, among others.


**TO: PHILIPPINE INSTITUTE OF TRADITIONAL AND ALTERNATIVE HEALTH CARE (PITAHC)**

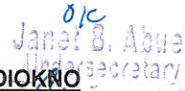
5. The fiscal discipline measures prescribed under A.O. No. 103 dated August 31, 2004 shall be observed.
6. It is understood that this approval does not authorize any item of expenditure that is prohibited by or inconsistent with the provisions of law.
7. The pertinent laws, rules and regulations including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

**Approved:**

  
LORENZO C. DRAPETE  
Director, BMB - C

  
for BENJAMIN E. DIOKNO  
Secretary

  
Janet B. Abuel  
Undersecretary

Date: \_\_\_\_\_

COB No. C1-16-0031

OCT 10 2016

cc: The Chairman  
Board of Directors, PITAHC

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

The Resident Auditor  
COA - PITAHC

Department of Budget and Management  
BTS



2016-S109201