



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

**CORPORATE OPERATING BUDGET**

Calendar Year 2017

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

Your Corporate Operating Budget (COB) for Calendar Year 2017 per Board Resolution No. 2 s. 2017 dated February 13, 2017 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 **ONE HUNDRED SIXTY TWO MILLION SIX HUNDRED SIXTY EIGHT THOUSAND PESOS ONLY (P162,668,000)**, details of which are shown below:

PARTICULARS	PROPOSAL (a)	APPROVED (b)	VARIANCE (c=b-a)
<b>TOTAL SOURCES:</b>	P 178,549,000	P 178,549,000	P -
Corporate Funds	61,617,000	61,617,000	-
General Fund/NG Support	116,932,000	116,932,000	-
<b>TOTAL USES:</b>	P 178,549,000	P 162,668,000	P (15,881,000)
Personnel Services (PS)	68,689,000	67,745,000	(944,000) a/
Maintenance & Other Operating Exp. (MOOE)	92,370,000	77,433,000	(14,937,000) b/
Capital Outlays (CO)	17,490,000	17,490,000	c/ - d/
<b>Excess / (Shortfall)</b>	P -	P 15,881,000	P 15,881,000

**Footnotes:**

a/ The variance of P944,000 refers to the overprovision for the following:

Salaries	P 510,000	Computed based on SSL IV 2nd tranche for 78 filled positions and 3 positions for filling up
PERA	36,000	Computed at P2,000/mo. x 12mos. x 78 filled pos. + P2,000/mo. x 6mos. x 3 positions for filling up
Uniform/Clothing Allowance	15,000	Computed at P5,000/yr. x 78 filled positions
Year-End Bonus	44,000	Limited to one month basic salary
Mid-year Bonus	87,000	Limited to one month basic salary
Performance Based Bonus	7,000	Computation based Memorandum Circular No. 2016-1 dated May 12, 2016
Anniversary Bonus	42,000	Computed at P3,000 x 78 positions for PITAHC's 20th Anniversary
Laundry Allowance	3,000	Computed at P150/mo. x 12 mos. x 78 positions + P150/mo x 6 mos. X 3 positions per R.A. No. 7305 (Magna Carta of PHW)
Hazard Pay	129,000	Computed based on DBM-DOH JC No. 1 s. 2016 rates
Life and Retirement Insurance Premium	61,000	Computed at 12% of salaries
Employees Compensation Insurance Premium	2,000	Computed at P100/mo x 12 mos x 78 filled pos. + P100/mo x 6 mos x 3 positions; pursuant to GSIS premium payment
Pag-I.B.I.G. Contributions	2,000	Computed at P100/mo x 12 mos x 78 filled pos. + P100/mo x 6 mos x 3 positions; pursuant to R.A. No. 9679
PhilHealth Contributions	6,000	Computation based on Philhealth Circular No. 1, s. 2015 (Item B) rates, in pursuant to DBM Circular Letter No. 2017-3
<b>Total</b>	<b>P 944,000</b>	

b/ MOOE level computed considering actual/audited expenses for the previous years and the effects of inflation and actual expenses as of May 2017 plus June to December estimates.

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

c/ CO is intended for the purchase/renovation of the following:


Office Equipment, Furniture & Fixtures, and Books Outlay	P	560,000
Machineries and Equipment Outlay		2,100,000
Land and Land Improvements Outlay		1,400,000
Information Technology		610,000
Building and Structures Outlay		12,820,000
<b>TOTAL</b>	<b>P</b>	<b>17,490,000</b>

This approval shall not be construed as an authorization for specific expenditure items under PS which requires prior approval of the OP. 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 Personnel Services (PS) shall strictly observe pertinent compensation laws, rules and regulations, including Executive Order (EO) Nos. 7 and 24 dated September 8, 2010 and February 10, 2011, respectively and EO 201.
4. Disbursements for extraordinary and miscellaneous expenses (EME) and other MOOE expenditures shall be subject to relevant provision of the annual GAA.
5. Equipment outlays included in the Annual Procurement Program that require specific clearance/approval from the agencies concerned (ex. Information and Communications Technology Office (DICT-ICTO) 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 Corporate Budget Circular No. 17 dated February 9, 1996, Budget Circular No. 2017-1 (amending BC No. 2016-5) dated April 26, 2017, and AO No. 15 (amending AO 233,s. 2008), dated May 25, 2011, Office of the President Memorandum Circular No. 9 dated December 14, 2010, among others.
6. The fiscal discipline measures prescribed under A.O. No. 103 dated August 31, 2004 shall be strictly observed.
7. Electronic payment shall be observed in the disbursement of corporate and public funds. In cases when the adoption is impracticable, 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.

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 292.

Recommending Approval:


  
**LORENZO C. DRAPETE**  
Director, BMB - C

Date

**SEP 18 2017**

Approved:

By authority of the Secretary:

  
**LUZ M. CANTOR**  
Undersecretary

COB No. C2-17-0040

cc: The Chairman  
Board of Directors, PITAHC

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

The Resident Auditor  
COA - PITAHC

Department of Budget and Management  
BTS



2017-S08675L