



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

CORPORATE OPERATING BUDGET

Fiscal Year 2021

TO: PHILIPPINE RETIREMENT AUTHORITY (PRetA)

Your Corporate Operating Budget (COB) for Fiscal Year 2021 per Board of Directors Resolution No. 1, s. 2021 dated June 25, 2021, 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 amount of **THREE HUNDRED FIFTY-THREE MILLION FIVE HUNDRED SEVEN THOUSAND PESOS ONLY (P353,507,000)**, details of which are shown below:

PARTICULARS	PROPOSAL (a)	APPROVED (b)	VARIANCE (c=b-a)
TOTAL SOURCES:	P 375,547,000	P 375,547,000	P -
Corporate Funds	375,547,000	375,547,000	-
TOTAL USES:	P 375,547,000	P 353,507,000	P (22,040,000)
Personnel Services (PS)	86,237,000	85,247,000	(990,000) a/
Maintenance and Other Operating Expenses (MOOE)	263,829,000	b/ 242,779,000	(21,050,000) c/
Capital Outlays (CO)	25,481,000	25,481,000	d/ -
Excess/(Shortfall)	P -	P 22,040,000	P 22,040,000

Footnotes:

- a/ The variance refers to Service Recognition Incentive which is subject to Office of the President (OP) approval for grant in FY 2021.
- b/ Includes P12.0 Million non-cash allocation for losses and depreciation.
- c/ The variance in refers to overprovision in non-core MOOE items considering the actual and audited expenses for previous years and the effects of inflation, details of variance as follows:

Particulars	Amount
Travelling Expenses	P 2,545,000
Transportation and Delivery Expenses	226,000
Training & Scholarship Expenses	876,000
Office Supplies Expenses	6,014,000
Medicines Expenses	551,000
Gasoline, Oil and Lubricants Expenses	937,000
Utility Expenses	965,000
Communication Expenses	3,859,000
Advertising and Promotion Expenses	1,901,000
Printing and Publication Expenses	440,000
Subscription Expenses	79,000
Security Services	76,000
Major Events/Cultural and Athletic Expenses	175,000
Repairs & Maintenance	2,317,000
Insurance Expenses	56,000
Bank Charges	33,000
TOTAL	P 21,050,000

Particulars	Amount
Buildings and Structures Outlay	P 3,800,000
Furniture and Fixtures, Books Outlay	886,000
Machineries and Equipment Outlay	20,795,000
TOTAL	P 25,481,000


Notwithstanding the above indicated variance in PS and MOOE, the PRetA has the flexibility to modify its utilization within the DBM-approved budget level for items funded out of corporate funds.

TO: PHILIPPINE RETIREMENT AUTHORITY (PRetA)

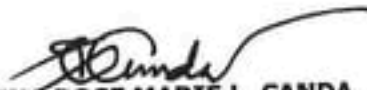
The following conditions shall be observed and complied with:

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. This approval shall not be construed as an authorization for specific expenditure items under PS which require prior approval by the OP. 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 GOCCs covered by RA No. 10149. Such expenditures shall be subject to relevant conditions under the General Provisions of the annual GAA or any specific law or approval of the OP and/or Secretary of Budget and Management or the GCG, as the case may be.
4. Disbursements for extraordinary and miscellaneous expenses and other MOOE expenditures shall be subject to the relevant provisions of the annual GAA, among others. The utilization of the Confidential and Intelligence Fund (CIF) shall be covered by a prior approval by the President of the Philippines before disbursement consistent with the provisions of Joint Circular No. 2015-1 dated January 8, 2015.
5. Equipment outlays included in the Annual Procurement Program that require specific clearance/approval from the agencies concerned (e.g., Department of Information and Communications Technology, particularly the Medium-Term Information and Communications Technology Harmonization Initiative Steering Committee for Information technology equipment).
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 the 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:


Digitally signed by
Elena Regina S.
Brillantes
ELENA REGINA S. BRILLANTES
OIC-Director, BMB-C
Date: **SEP 30 2021**

Approved:


TINA ROSE MARIE L. CANDIA
Officer-in-Charge, DBM
COB-C4-21-0039



cc:

The Chairman
Board of Trustees, PRetA

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

The Resident Auditor
COA-PRetA

