



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

CORPORATE OPERATING BUDGET
 Fiscal Year 2019

TO: PHILIPPINE FISHERIES DEVELOPMENT AUTHORITY (PFDA)

Your Corporate Operating Budget (COB) for Fiscal Year 2019 per approved Board Resolution No. 18036 dated November 7, 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, series of 1987, is hereby approved for a total of **ONE BILLION SEVEN HUNDRED ONE MILLION SIX HUNDRED EIGHTEEN THOUSAND PESOS ONLY (P1,701,618,000.00)**, details of which are shown below:

PARTICULARS	PROPOSAL (a)	APPROVED (b)	VARIANCE (c=b-a)
TOTAL SOURCES:	P 1,729,079,000	P 1,729,079,000	P -
Corporate Funds	963,889,000	963,889,000	-
National Government (NG) Support	765,190,000	765,190,000	-
TOTAL USES:	P 1,729,079,000	P 1,701,618,000	P (27,461,000)
Personnel Services (PS)	399,026,000	399,026,000	-
Maintenance and Other Operating Expenses (MOOE)	462,494,000	435,593,000 a/	(26,901,000) b/
Capital Outlays (CO)	867,559,000	866,999,000 c/	(560,000) d/
Excess/(Shortfall)	P -	P 27,461,000	P 27,461,000

Footnotes:

- a/ The MOOE level is computed considering audited and actual expenses for the previous years and the effects of inflation.
- b/ The MOOE variance of P26,901,000.00 refers to the overprovision of the following:

Particulars	Amount	Remarks
Training and Scholarship	P 4,061,000	Excess in the computation considering authorized rates per General Appropriations Act (GAA), audited/actual expenses, and inflation
Supplies and Materials	5,306,000	
Communication	8,063,000	
Advertising	251,000	
Printing	463,000	
Representation	223,000	
Subscription	84,000	
Repairs and Maintenance - Motor Vehicles	2,235,000	
Other MOOE	6,215,000	
TOTAL	P 26,901,000	

- c/ Total CO is composed of the following:

Particulars	Amount
Land and Land Improvements Outlay	P 4,100,000
Buildings and Structures Outlay	36,310,000
Office Equipment, Furniture and Fixtures	1,252,000
Machineries and Equipment Outlay	36,087,000
Public Infrastructures	765,190,000
Transportation Equipment	24,060,000
TOTAL	P 866,999,000

- d/ The variance in CO includes the price adjustment for the acquisition cost of sixteen (16) units of motor vehicles (MVs) which is computed per unit consistent with the existing DBM guidelines and the vehicle classification as provided under the DBM Budget Circular 2019-1 dated March 4, 2019 and Annex B of the DBM Budget Circular No. 2017-1 dated April 26, 2017. Attached in this COB approval is **APMV No. C-19-0026**, authorizing the PFDA to procure the MVs within the current year.

Notwithstanding the above-indicated variances in MOOE and CO, the PFDA still has the flexibility to modify its utilization within the DBM-approved budget level for each allotment class for items funded out of corporate funds.

PHILIPPINE FISHERIES DEVELOPMENT AUTHORITY (PFDA)

This approval shall not be construed as an authorization for specific expenditure items under PS which requires prior approval from the Office of the President (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 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 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 Government-Owned or-Controlled Corporations (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 President of the Philippines and/or Secretary of Budget and Management or the Governance Commission of GOCCs, as the case may be.
4. Disbursements for Extraordinary and Miscellaneous Expenses and other MOOE items shall be subject to the relevant provisions of the annual GAA, among others.
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 for procurement of information and communication technology equipment covered by the GOCC's Information System Strategic Plan) shall be secured prior to the acquisition thereof. On the other hand, the conditions on the acquisition of MVs are indicated on the attached APMV No. C-19-0026.
6. 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.
7. Notwithstanding the repeal of Administrative Order (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 11-5-19

Approved:

By Authority of the Secretary:


TINA ROSE MARIE L. CANDIA
Undersecretary

cc: The Chairman
Board of Directors, PFDA
Assistant Commissioner Winnie Rose H. Encallado
Commission on Audit (COA) - Central Office
COA Building, Quezon City
The Resident Auditor
COA - PFDA

COB No. C1-19-0007
Date: NOV 18 2019

Department of Budget and Management
BTS



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