



REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF BUDGET AND MANAGEMENT  
BONCODIN HALL, GEN. SOLANO ST., SAN MIGUEL, MANILA

**CORPORATE OPERATING BUDGET**  
Calendar Year 2018

**TO: CULTURAL CENTER OF THE PHILIPPINES (CCP)**

Your Corporate Operating Budget (COB) for Calendar Year 2018 per Board Resolution No. 009 dated March 20, 2018 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 amount of **ONE BILLION THIRTY TWO MILLION TWO HUNDRED EIGHTY FOUR THOUSAND PESOS ONLY (P1,032,284,000)**, details of which are shown below:

PARTICULARS	PROPOSAL (a)	APPROVED (b)	VARIANCE (c=b-a)
<b>TOTAL SOURCES:</b>	<b>P 1,915,178,000</b>	<b>P 1,915,178,000</b>	<b>P -</b>
Corporate Funds	267,295,000	267,295,000	-
General Fund/National Government Subsidy	809,089,000	809,089,000	-
FY 2017 Unfunded Allotment	593,664,000	593,664,000	-
FY 2016 Unfunded Allotment	238,130,000	238,130,000	-
Share from Tobacco Inspection Fees	7,000,000	7,000,000	-
<b>TOTAL USES</b>	<b>P 1,915,178,000</b>	<b>P 1,032,284,000</b>	<b>P (882,894,000)</b>
Personnel Services (PS)	237,817,000	215,700,000	(22,117,000) a/
Maintenance & Other Operating Expenses (MOOE)	294,467,000	292,746,000	(1,721,000) b/
Capital Outlays (CO)	1,363,482,000	504,426,000	(859,056,000) c/
Prior Year's Obligation (PY)	19,412,000	19,412,000	-
<b>Excess / Shortfall</b>	<b>P -</b>	<b>P 882,894,000</b>	<b>P 882,894,000</b>

**Footnotes:**

a/ The PS level variance refers to the following:

Particulars	Amount	Remarks
Salaries, Permanent	P 13,262,000	Recommendation is based on 272 positions only.
Wages, Casual	2,859,000	PS requirements of 8 casuals not considered.
PERA	1,032,000	Recommendation is based on P2,000 per employee for 272 positions only
Uniform/Clothing Allowance	258,000	Recommendation is based on P6,000 per employee for 272 positions
Year-end Bonus	1,105,000	Excess computation, equivalent to one month basic salary
Mid-year Bonus	1,105,000	Excess computation, equivalent to one month basic salary
Cash Gift	215,000	Recommendation is based on P5,000 per employee for 272 positions
Representation and Transportation Allowance	162,000	Based on the rates per 2018 GAA
Performance Enhancement Incentive	215,000	Limited to P5,000 per employee for 272 positions pursuant to Sec. 6 of EO No. 201 dated Feb. 19, 2016
Life & Retirement Insurance Premium	1,592,000	Computed at 12% of the adjusted basic salary for 272 positions
Employees Compensation Insurance Premium	52,000	Excess in the computation for 272 positions
Pag-IBIG Contributions	52,000	Excess in the computation for 272 positions
Philhealth Contributions	208,000	Based on the DBM Circular Letter 2017-3 dated January 3, 2017
<b>Total</b>	<b>P 22,117,000</b>	

b/ MOOE level was computed considering actual/audited expenses for previous years and the effects of inflation, details of variance as follows:

Particulars	Amount	Remarks
Communication Expenses	P 543,000	Excess in the computation considering 2016 audited/2017 actual expenses and 4.5% inflation
Office and Other Supplies	659,000	
Gasoline, Oil and Lubricants	413,000	
Representation Expenses	72,000	
Extraordinary Miscellaneous Expenses	1,000	Excess in the computation based on GAA rate
Training and Seminar Expenses	33,000	Excess in the computation considering 2016 audited expenses and 4.5% inflation
<b>Total</b>	<b>P 1,721,000</b>	

c/ The variance of P859,056,000 for the CO level refers to the requirements for the construction phase of the Artists' Center under the Building and Structures Outlay. CO was computed based on obligations as of December 31, 2017 and schedule of implementation per capital project.

**CORPORATE OPERATING BUDGET**

Calendar Year 2018

**TO: CULTURAL CENTER OF THE PHILIPPINES (CCP)**

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 requires prior approval of the OP. Disbursements 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 10149. Such expenditures shall also be subject to relevant conditions under the General Provisions of the annual General Appropriations Act (GAA) or any specific law or approval of the President of the Philippines and/or Secretary of Budget and Management or the GCG, as the case maybe. The payment of C.N.A shall be subject to the guidelines prescribed under Administrative Order (AO) No. 135, s. 2005, relevant conditions under the General Provision No. 73 of the FY 2018 GAA and annual issuance of Budget Circular for the purpose.
4. Disbursements for Extraordinary and Miscellaneous Expense (EME) and other MOOE items shall be subject to relevant provision of the annual GAA, among others.
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) particularly MITHI Steering Committee) for information and communication technology equipment and Office of the President/Department of Budget and Management/Supervising Department for procurement of motor vehicles). The same shall be secured before acquisition thereof in accordance with Corporate Budget Circular No. 17 dated February 9, 1996, Budget Circular (BC) No. 2017-1 dated April 26, 2017, amending BC No. 2016-5 dated August 22, 2016, AO No. 15, dated May 25, 2011, amending AO 233, s. 2008 dated August 1, 2008, Office of the President Memorandum Circular No. 9 dated December 14, 2010, among others.
6. Electronic payment shall be observed in the disbursement of corporate and public funds. In cases when the adoption is impracticable, the GOCC shall be allowed to continue with 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 292.

Recommending Approval:

Approved:

By Authority of the Secretary:

*Carmencita P. Mahinay*  
CARMENCITA P. MAHINAY  
Director, BMB - C

*Tina Rose Marie L. Canda*  
TINA ROSE MARIE L. CANDA  
Undersecretary

Date: JUL 24 2018

Department of Budget and Management  
BTS

COB No. C1-18-0021



2018-S08083L

cc: The Chairman  
Board of Trustees, CCP

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

The Resident Auditor  
COA - CCP

CULTURAL CENTER OF THE PHILIPPINES  
**RECEIVED**  
8-1-2018  
JOEFEL  
AUDITING OFFICE

OP - JHEK