



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

Department of Budget & Management (DBM)

CORPORATE OPERATING BUDGET

Fiscal Year (FY) 2020

TO: CULTURAL CENTER OF THE PHILIPPINES (CCP)

Your Corporate Operating Budget (COB) for FY 2020 per Board Resolution No. 035 dated June 23, 2020 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 TWO HUNDRED SEVENTY-SIX MILLION EIGHT HUNDRED NINETY-FIVE THOUSAND PESOS ONLY (P1,276,895,000)**, details of which are shown below:

PARTICULARS	PROPOSAL (a)	APPROVED (b)	VARIANCE (c=b-a)
TOTAL SOURCES:	P 1,316,058,000	P 1,316,058,000	P -
Corporate Funds	248,877,000	248,877,000	-
General Fund/National Government Subsidy	1,067,181,000	1,067,181,000	-
TOTAL USES	P 1,316,058,000	P 1,276,895,000	P (39,163,000)
Personnel Services (PS)	235,269,000	235,167,000	(102,000) a/
Maintenance & Other Operating Expenses (MOOE)	400,486,000	361,425,000	(39,061,000) b/
Capital Outlays (CO)	680,303,000 c/	680,303,000	-
Excess / Shortfall	P -	P 39,163,000	P (39,163,000)

Footnotes:

a/ The PS level variance refers to :

Particulars	Amount	Remarks
Representation and Transportation Allowance	102,000	Based on the rates per 2020 GAA
Total	P 102,000	

b/ MOOE level was computed considering actual expenses as of August 31, 2020, except for items covered by contracts which are recommended as proposed and Auditing Services based on the latest COA billing. Details of variance as follows.

Particulars	Amount
Supplies and Materials	P 3,216,000
Water, Illumination and Power Service	31,570,000
Travelling Expenses	353,000
Auditing Services	357,000
Printing and Binding Expenses	772,000
Representation Expenses	765,000
Training and Seminar Expenses	564,000
Other MOOE	1,464,000
Total	P 39,061,000

c/ The CO is recommended as proposed, details as follows:

Particulars	Amount
Office Equipment, Furniture & Fixtures, and Books	P 12,634,000
Outlay	
Machineries and Equipment Outlay	36,236,000
Land and Land Improvements Outlay	9,000
Building and Structures Outlay	627,524,000
Transportation Equipment Outlay*	3,900,000
Total	P 680,303,000

* The purchase of transportation equipment shall be consistent with the following guidelines:

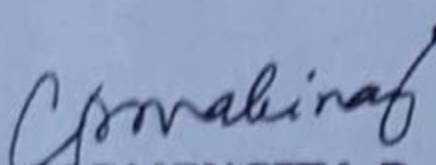
- The proposed acquisition of motor vehicles charged against the FY 2019 GAA was re-programmed in FY 2020. The DBM has adopted a streamlined procedure where the authority for the purchase of motor vehicles included in the NEP has already been covered in the DBM confirmation letter during the budget preparation period and shall no longer require issuance of a separate Authority to Purchase Motor Vehicles as provided under item 4.4.2 of DBM Circular letter No. 2018-10 dated November 8, 2018.
- Procuring entities may undertake their own procurement of motor vehicles pursuant to GPPB Resolution No. 20-2019 which delisted the motor vehicles from the list of Common-Use Supplies and Equipment to be procured thru the Procurement Service (PS).

Notwithstanding the above-indicated variances in PS and MOOE, the CCP still has the flexibility to modify its utilization within the DBM-approved budget level for items funded out of corporate funds. In case of those funded out of NG budgetary support, Section 76 of the General Provisions (GPs) of RA No. 11260 on the rules on the modification in the allotment shall apply.

Further, the following conditions shall be observed and complied with:

1. All expenditures, whether for current operating expenditures or for COs, shall be made within the limits of available funds realized from corporate receipts, authorized corporate borrowings and NG 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 by the Office of the President (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 relevant provision of the annual GAA, among others.
5. Collective Negotiations Agreement (CNA) may be granted to qualified personnel subject to the relevant provisions of the annual NEP/GAA and policies, rules and regulations issued by the DBM.
6. For equipment outlays included in the Annual Procurement Program that require specific clearance/approval from the agencies concerned, the same shall be secured before acquisition thereof. Examples: Department of Information and Communications Technology for procurement of information and communication technology equipment covered by the GOCC's Information System Strategic Plan, and OP/Department of Budget and Management/Supervising Department for the purchase of MVs, in accordance with Corporate Budget Circular No. 17 dated February 9, 1996, Administrative Order (AO) No. 14 dated December 10, 2018; Budget Circular (BC) No. 2019-2 dated March 4, 2019; Office of the President Memorandum Circular No. 9 dated December 14, 2010. Further, the classification/s and specifications of subject MV shall be consistent with the provisions of BC No. 2019-3, BC No. 2019-2, and Annex B of BC No. 2017-1, among others.
7. 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.
8. 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 A.O. No. 6 dated September 19, 2017.
9. 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.
10. Any and all officials and 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.

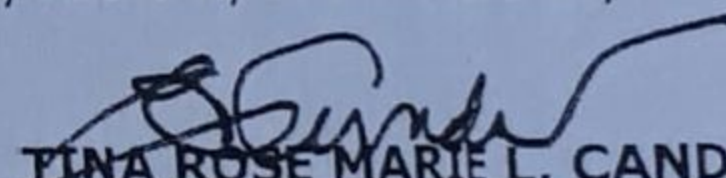
Recommending Approval:


CARMENCITA P. MAHINA
 Director, BMB - C

Dat Nov. 11, 2020

Approved by:

By Authority of the Secretary:


TINA ROSE MARIE L. CANDA
 Undersecretary

COB No. C3-20-0022

cc: The Chairman
 Board of Trustees, CCP

The Assistant Commissioner, Corporate Sector
 Commission on Audit (COA) - Central Office
 COA Building, Quezon City

The Resident Auditor
 COA - CCP