



REPUBLIC OF THE PHILIPPINES
Department of Budget and Management
 Malacañang, Manila

CORPORATE OPERATING BUDGET

Fiscal Year 2006

TO: PHILIPPINE COCONUT AUTHORITY

Your Corporate Operating Budget for Fiscal Year 2006 per Board Resolution No. 010-2005 dated May 26, 2005 submitted pursuant to Section 19, Chapter 3, Book VI of E.O. No. 292 series of 1987, is hereby approved for a total of **FOUR HUNDRED SEVENTY FIVE MILLION THREE HUNDRED THIRTY THOUSAND PESOS ONLY (P475,330,000.00)**, details of which are as follows:

PARTICULARS	Proposal	Approved Amount	Variance	Remarks
TOTAL SOURCES	P 693,000,000	P 475,330,000	P (217,670,000)	
Corporate Funds	239,000,000	239,000,000	-	
General Fund/NG Equity	454,000,000	236,330,000	a/ (217,670,000)	
TOTAL USES	708,000,000	475,330,000	(232,670,000)	
Personal Services	318,484,000	305,529,000	(12,955,000) b/	
Main. & Other Operating Expenses				
Operations and Others	361,116,000	154,801,000	(206,315,000) c/	
Loans Outlay	3,400,000		(3,400,000) c/	
Capital Outlays	10,000,000		(10,000,000) c/	
CFAC Requirement				
Maintenance & Other Oper. Exp.	8,280,000	8,280,000	d/ -	
Capital Outlays	6,720,000	6,720,000	d/ -	
Excess/Shortfall	P (15,000,000)	P -	P 15,000,000	

FOOTNOTES:

a/ Represents available subsidy appropriation of P221.330 M based on the 2006 re-enacted budget and additional P15 M for the Coconut Farmers Agribusiness Center (CFAC) per instruction of the President.

b/ The variance of P12,955,000 refers to the following:

Salaries of Permanent Positions	P 4,442,000	}	Excess Provision in each of the PS items representing the requirements of 49 positions not authorized to be filled due to A.O. No. 103/E.O. No.366
PERA	294,000		
ACA	294,000		
Uniform/Clothing Allowance	196,000		
Productivity Incentive Bonus	98,000		
Year-End Bonus	370,000		
Cash Gift	245,000		
Sub-Total	<u>5,939,000</u>		
Productivity Enhancement Pay	3,657,000		Provision for PEP granted in FY 2005 not authorized in 2006. Chargeable against savings.
Loyalty Award	885,000		Provision for 49 positions not authorized to be filled.
Retirement and Life Insurance Premium	533,000		In excess of the authorized P360/employee/annum.
Employee Compensation Insurance Premium	1,042,000		Provision for 49 positions not authorized to be filled.
PAG-IBIG Contribution	59,000		In excess of the OBM authorized P750/employee/annum.
Philhealth Contribution	840,000		
TOTAL	P <u>12,955,000</u>		

c/ Amounts disallowed due to limited fund sources.

d/ Provision for the initial operation of CFAC per directives of the President.

CORPORATE OPERATING BUDGET

Fiscal Year 2006

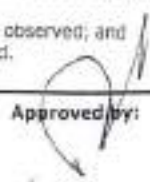
TO: PHILIPPINE COCONUT AUTHORITY

The approval of the corporate operating budget shall be subject to the following conditions:

1. All expenditures, whether for current operating or for capital outlays, 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 outlays;
2. Disbursements for extraordinary and miscellaneous expenses shall be subject to Section 25, General Provisions of the FY 2005 General Appropriations Act (R.A. No. 9336), as re-enacted;
3. Any personnel benefit that is charged to MOCE should be supported by an approval from the Office of President/DBM;
4. Specific approval from agencies concerned for equipment items per AEPP (e.g. NCC for Information Technology equipment, CP or DBM for motor vehicles, shall be secured pursuant to Corporate Budget Circular No. 17 dated 09 February 1996 and National Budget Circular Nos. 446 and 446-A, series of 1995 and 30 January 1998, respectively;
5. The fiscal discipline measures under Administrative Order No. 103 dated 31 August 2004 shall continue to be observed; and
6. The pertinent laws as well as usual budgeting, accounting and auditing rules and regulations shall be followed.

Recommending Approval:

Approved by:


GIL P. MONTALBO
DirectorMARIO L. RELAMPAGOS
Undersecretary
ROLANDO G. ANDAYA, JR.
Secretary

Date: 03 October 2006

COB-D3-06-006

cc: The Chairman and Members

Board of Directors
Philippine Coconut Authority

HON. JAIME P. NARANJO

Assistant Commissioner
Commission on Audit - Central Office

The Resident Auditor

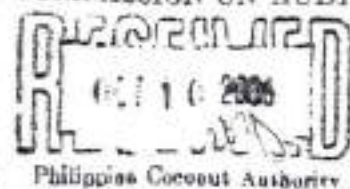
Commission on Audit
Philippine Coconut Authority

Department of Budget and Management



2006-D00149L

COMMISSION ON AUDIT



Philippine Coconut Authority



PHILIPPINE



OCT 10 2006

OFFICE
BY: Kelly