



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

**CORPORATE OPERATING BUDGET**  
 Calendar Year 2010

**TO: PHILIPPINE COCONUT AUTHORITY (PCA)**

Your Corporate Operating Budget (COB) for Calendar Year 2010 per approved Board of Directors Resolution No.042-2010 dated June 12, 2010, submitted pursuant to Section 5 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 of **EIGHT HUNDRED SIXTY NINE MILLION SEVENTEEN THOUSAND PESOS ONLY (P869,017,000)**, details of which are shown below:

PARTICULARS	PROPOSAL (a)	APPROVED (b)	VARIANCE (c=b-a)
<b>TOTAL SOURCES:</b>	<b>947,690,000</b>	<b>P 867,000,000</b>	<b>(60,690,000)</b>
Corporate Funds	292,000,000	292,000,000	-
General Fund/NG Subsidy	655,690,000	595,000,000	(60,690,000) a/
<b>TOTAL USES:</b>	<b>947,690,000</b>	<b>P 869,017,000</b>	<b>P 178,673,000</b>
Personal Services (PS)	400,000,000	399,792,000	(208,000) b/
Maintenance and Other Operating Expenses (MOOE)	509,792,000	431,327,000	(78,465,000) c/
Capital Outlays (CO)	33,793,000	33,793,000	-
Loan Amortization	4,105,000	4,105,000	-
<b>Excess/Shortfall</b>	<b>-</b>	<b>P 17,983,000</b>	<b>P 17,983,000</b>

**Footnotes:**

- a/ Refers to Congressional initiative that will not be released in the absence of new revenue measure to fund it.  
 b/ The variance of P208,000 for PS represents overprovision for RATA (P196,000) and per diem (P12,000).  
 c/ MOOE level computed considering actual/audited expenses for the previous years, the FY 2009 COB and effects of inflation.

The approval of the COB shall be subject to the following conditions:

1. All expenditures, whether for current operating expenditures or CO, 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 personnel amelioration/benefit, whether charged to PS or MOOE, should be covered by a specific legal basis or approval from the President of the Philippines or Secretary of Budget and Management, as the case may be.
3. Disbursements for personnel amelioration/benefit shall be subject to the pertinent compensation laws, rules and regulations which includes Republic Act (R.A.) No. 6758 as amended by Joint Resolution Nos. 1 and 4 dated March 7, 1994 and June 17, 2009, respectively, and E.O. No. 7 dated September 8, 2010, among others. Such expenditures shall also be conditioned on the relevant General Provisions of R.A. No. 9970, the FY 2010 GAA (ex. Representation and Transportation Allowances under Section 47, General Provisions), or any specific law or approval of the President of the Philippines or Secretary of Budget and Management, as the case may be.
4. Disbursements for extraordinary and miscellaneous expenses shall be subject to Section 26, General Provisions of R.A. No. 9970.
5. Disbursements from the Confidential and Intelligence Fund shall be covered by an approval from the President of the Philippines.
6. For equipment items per Annual Equipment Procurement Program that require specific clearance/approval from the Agencies concerned (ex. National Computer Center for information Technology equipment and Office of the President/Department of Budget and Management for motor vehicles), the same shall be secured before acquisition thereof in accordance with Corporate Budget Circular No. 17 dated February 9, 1996, National Budget Circular Nos. 446 and 446-A dated November 24, 1995 and January 30, 1996, respectively, Budget Circular No. 2010-2 dated March 1, 2010 and Administrative Order (A.O.) No. 233 dated August 1, 2008, among others.

7. The fiscal discipline measures prescribed under A.O. No. 103 dated August 31, 2004 shall be strictly observed.
8. It is understood that this review action does not authorize any item of expenditures that is prohibited by or inconsistent with the provisions of law.
9. The pertinent laws, rules and regulations including those on compensation, procurement, budgeting, accounting and auditing shall be strictly followed. Compliance with all existing laws, rules and regulations shall be the responsibility of the implementing government corporation.

Recommending Approval:



**MARY GRACE R. CHUA**  
Director, BMB-F

Date: December 6, 2010

Approved:

By Authority of the Secretary:

**MARIO L. RELAMPAGOS**  
Undersecretary

COB-F1-10-022

cc: The Chairman  
Board of Directors, PCA

Assistant Commissioner Jaime P. Naranjo  
Commission on Audit (COA) - Central Office  
COA Building, Quezon City

The Resident Auditor  
COA- PCA