



REPUBLIC OF THE PHILIPPINES

Department of Budget and Management
Malacañang, Manila

CORPORATE OPERATING BUDGET

Calendar Year 2012

TO: PHILIPPINE COCONUT AUTHORITY (PCA)

Your Corporate Operating Budget (COB) for Calendar Year 2012 per approved Board of Directors Resolution No.039-2012 dated March 19, 2012, 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 of **ONE BILLION SIX HUNDRED SIX MILLION NINETY FOUR THOUSAND PESOS ONLY (P1,606,094,000)**, details of which are shown below:

PARTICULARS	PROPOSAL (a)	APPROVED (b)	VARIANCE (c=b-a)
TOTAL SOURCES:	1,732,538,000	P 1,732,538,000	-
Corporate Funds	527,281,000	527,281,000	-
General Fund/NG Subsidy	1,192,757,000	1,192,757,000	-
Corporate Borrowings	12,500,000	12,500,000	-
TOTAL USES:	1,732,538,000	P 1,606,094,000	P (126,444,000)
Personal Services (PS)	495,000,000	492,582,000	(2,418,000) a/
Maintenance and Other Operating Expenses (MOOE)	1,196,393,000	1,072,367,000	(124,026,000) b/
Capital Outlays (CO)	40,000,000	40,000,000	-
Loan Amortization	1,145,000	1,145,000	-
Excess/Shortfall	-	P 126,444,000	P 126,444,000

Footnotes:

a/ The variance of P2,418,000 for PS represents overprovision for RATA, Honoraria, Longevity and Loyalty Pay.

b/ MOOE level computed considering actual/audited expenses for the previous years, the FY 2011 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. Disbursement for personnel amelioration/benefit shall be subject to the pertinent compensation laws, rules and regulations, including E.O. Nos. 7 and 24 dated September 8, 2010 and February 10, 2011, respectively. Such expenditures shall also be conditioned on the relevant General Provisions of Republic Act (R.A.) No. 10155, the FY 2012 General Appropriations Act (ex. Representation and Transportation Allowances under Section 46, General Provisions), or any specific law or approval of the President of the Philippines or Secretary of Budget and Management, as the case maybe.
3. Disbursements for Extraordinary and Miscellaneous Expenses shall be subject to Section 23, General Provisions of R.A. No. 10155.
4. Disbursements from the Confidential & Intelligence Fund shall be covered by an approval from the President of the Philippines.

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/Supervising Department 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 & 446-A dated November 24, 1995 and January 30, 1998, respectively; Budget Circular No. 2010-2 dated March 1, 2010, Administrative Order(A.O.) No. 233 dated August 1, 2008, Office of the President Memorandum Circular No. 9 dated December 14, 2010 and A.O. No. 15 dated May 25, 2011, among others.

6. The fiscal discipline measures prescribed under A.O. No. 103 dated August 31, 2004 shall be observed.
7. 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.
8. 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:


LORENZO C. DRAPETE
Director, BMB-F

Approved:
By Authority of the Secretary:


MARIO L. RELAMPAGOS
Undersecretary

Date: September 28, 2012

COB-F-12-0019

cc: The Chairman
Board of Directors, PCA

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

The Resident Auditor
COA- PCA