

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

**CORPORATE OPERATING BUDGET**  
 Calendar Year 2017

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

Your Corporate Operating Budget (COB) for Calendar Year 2017 per approved Board of Governors Resolution No. 016-2017 dated February 23, 2017, 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 not exceeding **FOUR BILLION FIVE HUNDRED TWELVE MILLION THREE HUNDRED SEVENTY THOUSAND PESOS ONLY (P4,512,370,000)** details of which are shown below:

Particulars	Proposal (a)	Approved (b)	Variance (c=b-a)
<b>TOTAL SOURCES:</b>	P 4,852,764,000	P 4,852,764,000	-
Corporate Funds	P 3,413,992,000	P 3,413,992,000	-
NG Subsidy	1,438,772,000	1,438,772,000	-
<b>TOTAL USES:</b>	P 4,852,764,000	P 4,512,370,000	P (340,394,000)
Personal Services (PS)	P 510,356,000	P 509,879,000	P (477,000) a/
Maintenance and Other Operating Expenses (MOOE)	3,295,911,000	2,955,994,000	(339,917,000) b/
Capital Outlays (CO)	1,046,497,000 c/	1,046,497,000 d/	-
<b>Excess/Shortfall</b>	P -	P 340,394,000	P 340,394,000

**Footnotes:**

a/ PS variance of P477,000 refers to overprovision for RATA (P132,000) computed based on GAA rates and disallowance of loyalty award (P345,000) which should be charged against savings.

b/ MOOE level computed considering actual/audited expenses for the previous years and effects of inflation.

c/ CO is for the following:

Land and Land Improvements	P 6,170,000
Machineries and Equipment Outlay	777,522,000
Transportation Equipment	72,498,000
Building and Structures Outlay	138,731,000
Office Equipment, Furniture and Fixtures	49,507,000
Public Infrastructure	2,069,000
<b>TOTAL</b>	<b>P 1,046,497,000</b>

d/ The purchase of transportation equipment needs prior approval from the Office of the President (OP) / Department of Budget and Management (DBM) or the supervising Department, as the case maybe. This will be acted upon separately.

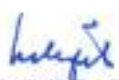
**TO: PHILIPPINE COCONUT AUTHORITY (PCA)**

This approval shall not be construed as an authorization for specific expenditure items under PS which requires prior approval of the OP. Further, 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. Disbursement for Personnel Services (PS) shall strictly observe pertinent compensation laws, rules and regulations, including Executive Order (EO) Nos. 7 and 24 dated September 8, 2010 and February 10, 2011, respectively and EO 203 as amended by EO 36 for GOCCs covered by RA 10149. Such expenditures shall 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.
4. Disbursements for extraordinary and miscellaneous expenses (EME) and other MOOE expenditures shall be subject to relevant provision of the annual GAA.
5. Equipment outlays included in the Annual 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, Budget Circular No. 2017-1 (amending BC No. 2016-5) dated April 26, 2017, and AO No. 15 (amending AO 233.s. 2008), dated May 25, 2011, 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, GOCC shall be allowed to continue with the existing payment scheme.
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.

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:**

  
**LORENZO C. DRAPETE**  
Director, BMB-C

**Approved:**

By Authority of the Secretary

  
**LUZ M. CANTOR**  
Undersecretary

Date: **SEP 26 2017**

cc: The Chairman  
Board of Directors, PCA

Assistant Commissioner Lourdes M. Castillo  
Commission on Audit (COA) - Central Office

COB No. C1-17-0054

The Resident Auditor  
COA - PCA

Department of Budget and Management  
BTS



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