



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

CORPORATE OPERATING BUDGET
 Calendar Year 2017

TO: TOURISM INFRASTRUCTURE & ENTERPRISE ZONE AUTHORITY (TIEZA)

Your Corporate Operating Budget (COB) for Calendar Year 2017 per approved Board Resolution Nos. R-25-11-16 and R-17-05-B, dated November 25, 2016 and May 17, 2017, respectively, 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 **TWO BILLION FOUR HUNDRED SIXTY FOUR MILLION ONE HUNDRED NINETY FOUR THOUSAND PESOS ONLY (P2,464,194,000)**, details of which are shown below:

PARTICULARS	PROPOSAL (a)	APPROVED (b)	VARIANCE (c=b-a)
TOTAL SOURCES:	P 2,583,681,000 ✓	P 2,583,681,000 ✓	P -
Corporate Funds	2,563,681,000 ✓	2,563,681,000 ✓	-
National Government Subsidy	20,000,000 ✓	20,000,000 ✓	-
TOTAL USES:	P 2,583,681,000	P 2,464,194,000 ✓	P (119,487,000)
Personnel Services (PS)	406,919,000 ✓	359,916,000 ✓	(47,003,000) a/
Maintenance & Other Operating Expenses (MOOE)*	784,019,000	711,535,000 ✓ b/	(72,484,000)
Capital Outlays (CO)	1,359,806,000 ✓	1,359,806,000 ✓	-
Furniture & Fixtures, Machineries and Equipment Outlay	11,995,000	11,995,000 ✓	-
Information Technology	32,231,000	32,231,000	-
Infrastructure Projects	1,302,000,000	1,302,000,000	-
Investment Outlay	-	-	-
Transportation Equipment	13,580,000	13,580,000 ✓	-
Debt Service (JICA Loan)	32,937,000 ✓	32,937,000 ✓	-
Excess/(Shortfall)	P -	P 119,487,000	P 119,487,000

Footnotes:

a/ The variance refers to overprovision of the following PS items, as shown below:

• Salaries	P 14,676,000
• Personnel Economic Relief Allowance	1,344,000
• Per Diems of Members of Governing Board	1,728,000
• Retirement & Life Insurance Premium	1,761,000
• Employees Compensation Insurance Premium	67,000
• Pag-Ibig Contributions	67,000
• Philhealth Contributions	215,000
• Uniform/Clothing Allowance	280,000
• Year-end Bonus	1,224,000
• Cash Gift	280,000
• Midyear Bonus	1,224,000
• Performance Enhancement Incentive	280,000
• Overtime Pay	8,478,000
• Anniversary Bonus	1,701,000
• 13th Month Pay	1,701,000
• Medical/Dental/Optical Allowance	2,000
• Welfare Fund Premium	11,291,000
• Honoraria	684,000

Recommendation is based on actual PS expenditures for 468 filled positions as of December 31, 2016 plus PS requirement of 56 positions to be filled up in FY 2017.

P5,000 x 524 positions

Pegged at FY 2016 approved level

One month gross of 524 positions per OP approval dated May 19, 1998 and September 23, 1998

P2,500/yr. x 101 incumbents as of June 30, 1989.

Computed at 10% basic salary

Honoraria of Bids and Awards Committee members chargeable against specific collections and savings per Budget Circular Nos. 2004-5A and 2007-3

TOTAL P 47,003,000 ✓

The release of Performance-Based Bonus in the amount of P24.555 Million shall be subject to guidelines and approval by the Governance Commission for Government-Owned or Controlled Corporations (GCG).

TO: TOURISM INFRASTRUCTURE & ENTERPRISE ZONE AUTHORITY (TIEZA)

Pursuant to Item 7 of the Compensation and Position Classification System (CPCS) under Executive Order No. 203 dated March 22, 2016, for GOCCs covered by Republic Act No. 10149, each covered GOCC, acting through its Governing Board, shall adopt a Total Compensation Framework for their Officers and Employees pursuant to the terms therein and the Index of Occupational Services (IOS), Position Titles and Pay Grades, subject to the approval of the Office of the President (OP) of the Philippines with favorable recommendation from the GCG.

b/ MOOE level is computed considering prior year's actual/audited expenses and effects of inflation.

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:

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 201 for GOCCs not covered by RA 10149 and EO 203 and amendments thereto 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, 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. The fiscal discipline measures prescribed under A.O. No. 103 dated August 31, 2004 shall be strictly observed.
7. 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.
8. 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:

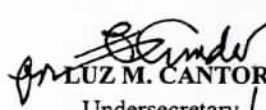

LORENZO C. DRAPETE
Director, BMB-C

Date:

JUL 28 2017

Approved:

By Authority of the Secretary


LUZ M. CANTOR
Undersecretary

COB-C2-17-0032

cc: The Chairman
TIEZA Board of Directors

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

The Resident Auditor
COA-TIEZA

Department of Budget and Management
BTS



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