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BY: Joanna Fernandez BCDAM

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

**CORPORATE OPERATING BUDGET**

Calendar Year 2017

**TO: BASES CONVERSION AND DEVELOPMENT AUTHORITY (BCDA)**

Your Corporate Operating Budget (COB) for Calendar Year 2017 per approved Board Resolution Nos. 2017-03-043 dated March 9, 2017 (original); 2017-01-0014 and 2017-01-007 both dated January 10, 2017; 2017-02-035 dated February 9, 2017; 2017-03-041 dated March 9, 2017; 2017-03-062 dated March 22, 2017; 2017-04-080 dated April 19, 2017; 2017-06-105, 2017-06-109, 2017-06-110 all dated June 7, 2017 (supplemental) 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 **THIRTEEN BILLION SIX HUNDRED NINETY FIVE MILLION ONE HUNDRED FIVE THOUSAND PESOS ONLY (₱13,695,105,000)**, details of which are shown below:

PARTICULARS	PROPOSAL (a)	APPROVED (b)	VARIANCE (c=b-a)
<b>TOTAL SOURCES:</b>	<b>₱ 13,735,424,000</b>	<b>₱ 13,735,424,000</b>	<b>₱ -</b>
Corporate Funds	12,201,284,000	12,201,284,000	-
National Government (NG) Budgetary Support	1,534,140,000	1,534,140,000	-
<b>TOTAL USES:</b>	<b>₱ 13,735,424,000</b>	<b>₱ 13,695,105,000</b>	<b>₱ (40,319,000)</b>
Personnel Services (PS)	315,711,000	a/ 301,265,000	b/ (14,446,000)
Maintenance and Other Operating Expenses (MOOE)	8,489,288,000	8,463,415,000	(25,873,000)
Operating Expenses (OPEX)	776,937,000	c/ 751,064,000	(25,873,000)
New Clark City Project	33,393,000	33,393,000	-
OPEX - Subsidiaries	346,567,000	346,567,000	-
Share of Beneficiary Agencies	4,163,815,000	4,163,815,000	-
JICA Debt Servicing	1,176,197,000	1,176,197,000	-
NG Power Subsidy	1,534,140,000	1,534,140,000	-
DOF Guarantee Fee	458,239,000	458,239,000	-
Capital Outlays (CO)	4,930,425,000	4,930,425,000	-
<b>Excess/(Shortfall)</b>	<b>₱ -</b>	<b>₱ 40,319,000</b>	<b>₱ 40,319,000</b>

**Footnotes:**

a/ Excludes ₱2.160 Million transferred to MOOE - representing Board of Directors' reimbursable expenses.

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

• Salaries	₱ 8,114,000
• Additional Compensation Allowance	248,000
• Uniform/Clothing Allowance	10,000
• Year-end Bonus	676,000
• Midyear Bonus	676,000
• Cash Gift	10,000
• Per Diems of Board Members	182,000
• Anniversary Bonus	6,000
• Meal Allowance	12,000
• Rice Allowance	72,000
• Educational Subsidy	676,000
• Christmas Package/Gift	7,000
• Amelioration Allowance	7,000
• Provident Fund	1,318,000
• Housing Fund	1,318,000
• Term and Accident Insurance	13,000
• Productivity Enhancement Incentive	10,000
• Life & Retirement Insurance Premium	973,000
• Employees Compensation Insurance Prem.	24,000
• Pag-I.B.I.G. Contributions	24,000
• Philhealth Contributions	70,000
<b>TOTAL</b>	<b>₱ 14,446,000</b>

Recommendation is based on actual PS expenditures for 152 filled positions as of August 31, 2017 plus PS requirement of 28 positions to be filled from September to December 2017.

**TO: BASES CONVERSION AND DEVELOPMENT AUTHORITY (BCDA)**

The BCDA is exempt from the Salary Standardization Law (SSL) by virtue of Republic Act No. 7227 (Bases Conversion and Development Act of 1992), as amended. However, the Authority shall strictly adhere to the following provisions of laws, specifically in the grant/payment of Personnel Services:

Section 9 of Joint Resolution No. 4, s. 2009 provided that exempt entities shall observe the policies, parameters and guidelines governing position classification, salary rates, categories and rates of allowances, benefits and incentives, prescribed by the President. Any increase in the existing salary rates, as well as, the grant of new allowances, benefits and incentives, or an increase in the rates thereof shall be subject to the approval by the President, upon recommendation of the DBM. Section 10 thereof, required exempt entities to submit their existing compensation and position classification systems and their implementation status to the DBM.

Sections 8 and 9 of Executive Order (E.O.) No. 7, s. 2010 mandated that:

1. GOCCs/GFIs shall submit information on all salaries, allowances, incentives and other benefits.
2. Except salary adjustments pursuant to E.O. Nos. 811 s. 2009 and 900 s. 2010, a moratorium on the increase in the rates of salaries, and the grant of new or increase in the rates of allowances, incentives and other benefits is imposed until specifically authorized by the President.

Section 2 of EO No. 36 dated July 28, 2017 provides that all SSL-exempt GOCCs shall have the option to either maintain their current compensation framework or, subject to approval of the GCG, adopt the Modified Salary Schedule under EO No. 201. For GOCCs adopting the Modified Salary Schedule under EO No. 201, the following shall apply.

1. They shall be limited to the benefits, allowances, incentives, provided under JR No. 4;
2. The GCG shall have the authority to convert/revise the compensation framework of such GOCCs (i.e., convert from Job Grade to Salary Grade);
3. A Mid-Year Bonus equivalent to one (1) month basic salary shall be granted to those who have rendered at least four (4) months of satisfactory service and are still in service as of same date, to be given not earlier than May 15 of every year. The existing Year-End Bonus equivalent to one (1) month basic salary and Cash Gift at prescribed rates shall be given in November of every year. The grant of Mid-Year and Year-End bonuses as well as the cash gift shall be subject to the guidelines issued by the GCG.

The Mid-Year and Year-End bonuses provided herein, shall be in lieu of the bonuses, allowances or incentives of similar nature that the GOCCs receive under their current compensation framework.

c/ MOOE level is computed considering actual/audited amounts for the previous years and the effects of inflation. It also includes Board of Directors' reimburseable expenses in the amount of ₱2,160,000 realigned from PS. Provision for GAD is not considered because funds for the purpose must be a 5% attribution of the Authority's total FY 2017 DBM-approved COB level, pursuant to Section 30 of the General Provisions of RA 10924, the FY 2017 GAA.

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:

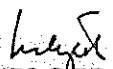
1. All expenditures, whether for current operating expenditures or COs, shall be made within the limits of available funds realized from corporate receipts, authorized corporate borrowings and National Government budgetary support either in the form of subsidy, equity or loans outlay.
2. Any increase 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 No. 203 as amended by EO No. 36 (Suspending the Compensation and Position Classification System under EO No. 203, Providing for Interim Compensation Adjustments, and for Other Purposes) 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, among others.

**TO: BASES CONVERSION AND DEVELOPMENT AUTHORITY (BCDA)**

5. Equipment outlays included in the Annual Procurement Program that require specific clearance/approval from the agencies concerned (ex. Information and Communications Technology Office (DICT-ICTO) 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.

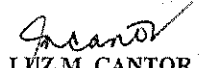
Recommending Approval:

  
LORENZO C. DRAPETE  
Director, BMB-C

Date: **SEP 27 2017**

Approved:

By Authority of the Secretary

  
LUZ M. CANTOR  
Undersecretary

COB-C2-17-0057

cc: The Chairman  
Board of Directors, BCDA  
  
Assistant Commissioner Winnie Rose H, Encallado  
Commission on Audit (COA) - Central Office  
COA Building, Quezon City  
  
The Resident Auditor  
COA-BCDA

Department of Budget and Management  
BTS



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 BY: Joanna Fernandez 4:40pm

REPUBLIC OF THE PHILIPPINES  
 DEPARTMENT OF BUDGET AND MANAGEMENT  
 BONCODIN HALL, GEN. SOLANO ST., SAN MIGUEL, MANILA

**CORPORATE OPERATING BUDGET**

Calendar Year 2017

**TO: BASES CONVERSION AND DEVELOPMENT AUTHORITY (BCDA)**

Your Supplemental Corporate Operating Budget (COB) for Calendar Year 2017 per approved Board Resolution Nos. 2017-07-121 dated July 7, 2017; 2017-07-129, 2017-07-133, 2017-07-131 all dated July 19, 2017; 2017-08-143 dated August 16, 2017; 2017-08-135 dated August 31, 2017; 2017-09-150 and 2017-09-152 both dated September 22, 2017, submitted pursuant to Section 6 of Executive Order (EO) 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 **THIRTEEN BILLION SEVENTY TWO MILLION ONE HUNDRED THIRTY TWO THOUSAND PESOS ONLY (P13,072,132,000)**, details of which are shown below:

PARTICULARS	PROPOSAL (a)	APPROVED (b)	VARIANCE (c=b-a)
<b>TOTAL SOURCES:</b>	<b>P 13,072,132,000</b>	<b>P 13,072,132,000</b>	<b>P -</b>
Corporate Funds	13,072,132,000	13,072,132,000	-
<b>TOTAL USES:</b>	<b>P 13,072,132,000</b>	<b>P 13,072,132,000</b>	<b>P -</b>
Maintenance and Other Operating Expenses (MOOE)	47,195,000	47,195,000	-
Operating Expenses (OPEX)	46,295,000	46,295,000	-
OPEX - Subsidiaries	900,000	900,000	-
Capital Outlays (CO)	13,024,937,000	13,024,937,000 a/	-
<b>Excess/(Shortfall)</b>	<b>P -</b>	<b>P -</b>	<b>P -</b>

**Footnotes:**

a/ The proposed level for CO is intended for the following:

Buildings and Structures Outlay	P 13,020,530,000
Office Equipment, Furniture & Fixtures	4,407,000
<b>Total CO</b>	<b>P 13,024,937,000</b>

This approval shall be subject to the following conditions and shall be observed and complied with:

- 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.
- Equipment outlays included in the Annual Procurement Program that require specific clearance/approval from the agencies concerned (ex. Information and Communications Technology Office (DICT-ICTO) 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.
- 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.

**TO: BASES CONVERSION AND DEVELOPMENT AUTHORITY (BCDA)**

4. 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: **DEC 20 2017**

Approved:

By Authority of the Secretary:



**LUZ M. CANTOR**  
Undersecretary

**COB-C2-17-0093**

Department of Budget and Management  
BTS



2017-S12107L

cc: **The Chairman**  
Board of Directors, BCDA  
Assistant Commissioner Winnie Rose H, Encallado  
Commission on Audit (COA) - Central Office  
COA Building, Quezon City  
The Resident Auditor  
COA-BCDA