



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 INTERNATIONAL TRADING CORPORATION (PITC)**

Your Corporate Operating Budget (COB) for Calendar Year 2017 per approved Board Resolution dated April 11, 201 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 **ONE HUNDRED THIRTY FOUR MILLION SEVEN HUNDRED SEVEN THOUSAND PESOS ONLY (P134,707,000.00)**, details of which are shown below:

PARTICULARS	PROPOSAL (a)	APPROVED (b)	VARIANCE (c=b-a)
<b>TOTAL SOURCES:</b>	<b>P 205,055,000</b>	<b>P 205,055,000</b>	<b>P -</b>
Corporate Funds	134,679,000	134,679,000	-
Other Income	70,376,000	70,376,000	-
<b>TOTAL USES:</b>	<b>P 141,240,000</b>	<b>P 134,707,000</b>	<b>P (6,533,000)</b>
Personnel Services (PS)	54,567,000	53,418,000	(1,149,000) a/
Maintenance & Other Operating Expenses (MOOE)*	79,877,000	74,493,000	(5,384,000) b/
Capital Outlays (CO)	6,796,000	6,796,000	-
<b>Excess/(Shortfall)</b>	<b>P 63,815,000</b>	<b>P 70,348,000</b>	<b>P 6,533,000</b>

\*net of non-cash item P609,000

**Footnotes:**

- a/ Computation is based on requirements of sixty-seven (67) filled positions; variance due to over provision in PAG-Ibig Premiums and errors in the computation of the basic salaries of some positions.
- b/ MOOE level is computed considering actual/audited expenses for the previous years (CY 2015-CY 2016) plus effects of inflation.
- c/ CO is intended for the following:

Land & Land Improvements Outlay	P 60,000
Office Equipment, Furniture &	3,101,000
Transportation Equipment	3,635,000
	<b>P 6,796,000</b>

The amount of P3,635,000 for the acquisition of motor vehicles shall be evaluated pursuant to the provisions of Administrative Order (A.O.) No. 233 as amended by A.O. No. 15 and Budget Circular (BC) No. 2016-5 dated August 22, 2016, as amended by BC No. 2017-1 dated April 26, 2017, as well as OP Memorandum No. 9 dated December 14, 2010 and acted upon separately.

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

- 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.
- Any increase in the approved principal COB in the course of the budget year, as may be warranted by additional corporate receipts, shall require submission of a supplemental COB to cover additional expenditures.
- Disbursements 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. 201 for GOCCs not covered by RA 10149 and EO No. 203 and amendments thereto for GOCCs covered by RA 10149. Such expenditures shall be subject to the 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.

**TO: PHILIPPINE INTERNATIONAL TRADING CORPORATION (PITC)**

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, and Budget Circular No. 2017-1 (amending BC No. 2016-5) dated April 26, 2017, and Administrative Order (AO) No. 15 (amending AO No. 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 and 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 No. 292.

Recommending Approval:

  
**LORENZO C. DRAPETE**  
Director, Budget and Management Bureau -C

Approved:  
By Authority of the Secretary:

  
**LUZ M. CANTOR**  
Undersecretary

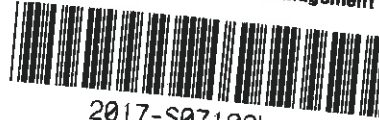
Date:

JUL 21 2017

COB-C4-17-0017

cc: The Chairman  
Board of Directors, PITC  
  
Assistant Commissioner Lourdes M. Castillo  
Commission on Audit (COA) - Central Office  
COA Building, Quezon City  
  
The Resident Auditor  
COA-PITC

Department of Budget and Management  
BTS



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