



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

**CORPORATE OPERATING BUDGET  
 Fiscal Year 2019**

**TO: CENTER FOR INTERNATIONAL TRADE EXPOSITIONS AND MISSIONS (CITEM)**

Your Corporate Operating Budget (COB) for Fiscal Year 2019 per approved CITEM Secretary's Certificate dated July 8, 2019, submitted pursuant to Section 6 of Executive Order (EO) No. 518, series of 1979 and Section 19, Chapter 3, Book VI of EO No. 292, series of 1987, is hereby approved for a total of **THREE HUNDRED SEVENTY NINE MILLION TWO HUNDRED FORTY-ONE THOUSAND PESOS ONLY (P379,241,000)**, details of which are shown below:

PARTICULARS	PROPOSAL (a)	APPROVED (b)	VARIANCE (c=b-a)
<b>TOTAL SOURCES:</b>	P 384,454,000	P 384,454,000	-
Corporate Funds	105,226,000	105,226,000	-
National Government Subsidy	279,228,000	279,228,000 a/	
<b>TOTAL USES:</b>	P 384,454,000	P 379,241,000	P (5,213,000)
Personnel Services (PS)	85,501,000	85,501,000	-
Maintenance and Other Operating Expenses (MOOE)	294,228,000	b/ 289,015,000	(5,213,000) c/
Capital Outlays (CO)	4,725,000	4,725,000 d/	-
<b>Excess/(Shortfall)</b>	P -	P 5,213,000	P 5,213,000

**Footnotes:**

a/ For the implementation of the Export/Trade Promotion Program.

b/ The proposed MOOE is net of non-cash item of P8.849 Million provided for losses and depreciation/depletion expenses.

c/ The MOOE variance of P2.874 Million refers to the excess of computation based on the highest FY 2017 audited/FY 2018 audited and 3% inflation rate, except for those covered by contracts which are recommended as proposed, details as follows:

Maintenance of Government Vehicles	P 230,000
Supplies and Materials	1,262,000

Gasoline, Oil and Lubricants	285,000
Water, Illumination and Power Service	773,000
Taxes, Duties and Fees	49,000
Auditing Services	633,000
Repair and Maintenance of Government	255,000
Training and Seminar Expenses	1,726,000
Total	<u>P 5,213,000</u>

f/ Recommended CO level is broken down as follows:

Machineries and Equipment Outlay	P 3,500,000
Furnitures, Fixtures, and Books	1,225,000
Total	<u>P 4,725,000</u>

Notwithstanding, the above-indicated variances in MOOE, the CITEM has the flexibility to modify its utilization within the DBM-approved budget level for items funded out of the corporate funds. In case of those funded out of NG budgetary support, Section 76 of the General Provisions of RA No. 11260 on the rules on the modification in allotment shall apply.

**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. Disbursements for PS shall observe pertinent compensation laws, rules and regulations, including 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 CPCS under EO No. 203, Providing for Interim Compensation Adjustments, and for Other Purposes) for GOCCs covered by RA No. 10149. Such expenditures shall be subject to relevant 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 and the GCG, as the case may be.
4. The interim measures prescribed under EO 36 dated July 28, 2017 as implemented by GCG Memorandum No. 2017-03 dated August 24, 2017 shall be strictly observed.
5. Disbursements for Extraordinary and Miscellaneous Expenses (EME) and othe MOOE expenditures shall be subject to relevant provisions of the annual GAA, among others.

6. For equipment outlays included in the Annual Procurement Program that require specific clearance/approval from the agencies concerned, the same shall be secured before acquisition thereof. Examples: Department of Information and Communications Technology for procurement of information and communication technology equipment covered by the GOCC's Information System Strategic Plan, and OP/Department of Budget and Management/Supervising Department for the purchase of motor vehicles (MV), in accordance with Corporate Budget Circular No. 17 dated February 9, 1996, Administrative Order No. 14 dated December 10, 2018; Budget Circular (BC) No. 2019-2 dated March 4, 2019; Office of the President Memorandum Circular No. 9 dated December 14, 2010. Further, the classification/s and specifications of subject motor vehicle/s shall be consistent with the provisions of BC No. 2019-2, and Annex B of BC No. 2017-1, among others.
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.
9. Any and all officials or employees who will authorize, allow, 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:**

*C. Mahinay*

**CARMENCITA P. MAHINAY**

Director, BMB -C

Date: 11-15-19

**Approved:**

By Authority of the Acting Secretary:

*Tina Rose Marie L. Canda*

**TINA ROSE MARIE L. CANDA**

Undersecretary

COB No.: **C4-19-0043**

cc: The Chairman  
Board of Directors, CITEM

Assistant Commissioner  
Commission on Audit (COA) - Central Office  
COA Building, Quezon City

The Resident Auditor  
COA-CITEM

Department of Budget and Management  
BTS



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