



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

**CORPORATE OPERATING BUDGET**

Fiscal Year 2021

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

Your Corporate Operating Budget (COB) for Fiscal Year 2021 per approved Board Resolutions shown below, 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 **TWENTY BILLION SEVEN HUNDRED FIFTY-THREE MILLION FIFTY-SEVEN THOUSAND PESOS ONLY (P20,753,057,000)**, details of which are as follows:

Board Resolution No.	Date	Remarks
2021-01-004	January 27, 2021	Principal
2021-02-013	February 10, 2021	
2021-02-015		
2021-05-056	May 26, 2021	Supplemental
2021-06-059		
2021-06-061	June 9, 2021	
2021-06-064		
2021-07-077	July 21, 2021	

PARTICULARS	PROPOSAL		APPROVED		VARIANCE (c=b-a)
	(a)	(b)	(b)	(b)	
<b>TOTAL SOURCES:</b>	<b>P 29,144,731,000</b>	<b>P 29,144,731,000</b>	<b>P 29,144,731,000</b>	<b>P -</b>	
Corporate Funds	17,093,740,000		17,093,740,000		-
National Government (NG) Budgetary Support	12,050,991,000		12,050,991,000		-
<b>TOTAL USES:</b>	<b>P 21,168,874,000</b>	<b>P 20,753,057,000</b>	<b>P 20,753,057,000</b>	<b>P (415,817,000)</b>	
Personnel Services (PS)	391,674,000		335,796,000		(55,878,000) a/
Maintenance and Other Operating Expenses (MOOE)	6,983,334,000		6,623,395,000		(359,939,000) b/
Operating Expenses - BCDA	1,161,504,000		810,880,000		(350,624,000)
Share of Beneficiary Agencies in the Military Camps Sales Proceeds Fund	2,760,147,000		2,760,147,000		-
Subic - Clark - Tarlac Expressway Project	1,353,848,000		1,353,848,000		-
Dividends Payable	906,421,000		906,421,000		-
Operating Expenses - Subsidiaries	236,612,000		236,612,000		-
NG Power Subsidy to SFA Semicon Phil. Corp.	91,652,000		82,337,000		(9,315,000)
National Government Administrative Center New Clark City Project	250,000,000		250,000,000		-
Subic-Clark Railway Project	29,630,000		29,630,000		-
DICT National Broadband Project - Phase 1	60,000,000		60,000,000		-
DA Agro-industrial Business Corridor Project	98,520,000		98,520,000		-
DA Agro-industrial Business Corridor Project	35,000,000		35,000,000		-
Capital Outlays (CO)	13,793,866,000		13,793,866,000	c/	-
<b>Excess/(Shortfall)</b>	<b>P 7,975,857,000</b>	<b>P 8,391,674,000</b>	<b>P 8,391,674,000</b>	<b>P 415,817,000</b>	

**Footnotes:**

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

• Salaries	P 22,978,000
• Additional Compensation Allowance	528,000
• Uniform Allowance	180,000
• Year-end Bonus	1,915,000
• Midyear Bonus	2,798,000
• Cash Gift	150,000
• Representation and Transportation Allowance	1,854,000
• Overtime	4,000,000
• Anniversary Bonus	213,000
• Meal Allowance	264,000

- Represents the following:
- Requirements of thirty (30) positions which are not expected to be filled-up in FY 2021; and
  - January to June requirements of twenty-eight (28) positions for filling-up in July to December 2021.

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• Rice Allowance	1,584,000
• Educational Subsidy	1,032,000
• Christmas Package/Gift	1,699,000
• Amelioration Allowance	1,699,000
• Provident Fund	3,636,000
• Housing Fund	3,636,000
• Term and Accident Insurance	-
• Medical Benefit - HMO Premium	3,315,000
• Medical Benefit - Direct Reimbursement	1,302,000
• Productivity Enhancement Incentive	150,000
• Life & Retirement Insurance Premium	2,477,000
• Employees Compensation Insurance Premium	53,000
• Pag-IBIG Contributions	53,000
• Philhealth Contributions	362,000
<b>TOTAL</b>	<b><u>P 55,878,000</u></b>

Represents the following:

1. Requirements of thirty (30) positions which are not expected to be filled-up in FY 2021; and
2. January to June requirements of twenty-eight (28) positions for filling-up in July to December 2021.

The BCDA is exempt from the Salary Standardization Law (SSL) by virtue of Republic Act (RA) 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 PS.

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 EO 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 EO 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 Governance Commission for Government-Owned and/or Controlled Corporations (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 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.

b/ The MOOE level was computed considering the actual/audited expenses for previous years and the effects of inflation, with consideration on the actual expenses of the BCDA from January to June, 2021, with details of variance as follows:

Particulars	Amount
Financial Assistance	54,500,000
Travelling Expenses	962,000
Communication Expenses	7,890,000
Repair and Maintenance of Government Facilities	8,326,000
Water, Illumination and Power Service	4,002,000
Representation Expenses	6,433,000
Taxes, Duties and Fees	196,307,000
Supplies and Materials	6,377,000
Christmas/Anniversary	626,000
BOD Expenses	1,086,000
Miscellaneous Expenses	14,115,000
Other MOOE	50,000,000
National Government Power Subsidy	9,315,000
<b>Total</b>	<b><u>P 359,939,000</u></b>

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c/ The recommended CO pertains to funding requirements of the following:

Land and Land Improvements Outlay	P	978,977,000
Buildings and Structures Outlay		12,641,285,000
Office Equipment, Furniture & Fixtures		169,954,000
Transportation Equipment*		3,650,000
	<b>P</b>	<b>13,793,866,000</b>

\*The recommended level for transportation equipment pertains to the funds to be provided by the BCDA in FY 2021 to the John Hay Management Corporation for the purchase of motor vehicles covered by APMV No. C-21-0020 dated May 6, 2021.

**Notwithstanding the above-indicated variance in PS and MOOE, the BCDA has the flexibility to modify its utilization within the DBM-approved budget level for items funded out of corporate funds. In the case of those funded out of national government budgetary support, Section 72 of the General Provisions of RA No. 11518 on the rules on the modification in allotment shall apply.**

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. This approval shall not be construed as an authorization for specific expenditure items under PS which requires prior approval by the Office of the President. Disbursement for PS shall strictly 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 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 may be.
4. Disbursements for Extraordinary and Miscellaneous Expenses (EME) and other MOOE expenditures shall be subject to the relevant provisions of the annual GAA, among others.
5. Equipment Outlays included in the Annual Procurement Program that require specific clearance/approval from the Agencies concerned (e.g. Department of Information and Communications Technology for procurement of information and communication technology equipment covered by the GOCC's Information System Strategic Plan) shall be secured prior to the acquisition thereof. On the other hand, the acquisition of MVs shall be in accordance with the provisions of, among others, Administrative Order No. 14 dated December 10, 2018; Budget Circular No. 2019-3 dated May 16, 2019; BC No. 2019-2 dated March 4, 2019, and Office of the President Memorandum Circular No. 9 dated December 14, 2010. Moreover, it is understood that the acquisition of motor vehicle/s shall be in accordance with the Government Procurement Reform Act (RA No. 9184) and its Implementing Rules and Regulations, as well as subject to the usual budgeting, accounting, auditing, and other applicable laws, rules and regulations.
6. Electronic payment shall be observed in the disbursement of corporate and public funds. In case the same is impracticable, the GOCC shall be allowed to continue with the existing payment scheme.
7. Notwithstanding the repeal of AO No. 103, existing laws, rules and regulations mandating the judicious and prudent use of government funds shall be observed. No irregular, unnecessary, extravagant, excessive and unconscionable expenses shall be incurred pursuant to A.O. No. 6 dated September 19, 2017.
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 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:

*Elena Regina S. Brillantes*  
Digitally signed by  
Elena Regina S.  
Brillantes

**ELENA REGINA S. BRILLANTES**

OIC-Director, BMB - C

Date: **OCT 12 2021**

Approved by:

*Tina Rose Marie L. Canda*  
**TINA ROSE MARIE L. CANDA**  
Officer-in-Charge, DBM



**COB-C2-21-0051**

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