



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

**CORPORATE OPERATING BUDGET**

Fiscal Year (FY) 2019

**TO: TOURISM PROMOTIONS BOARD (TPB)**

Your Corporate Operating Budget (COB) for FY 2019 per approved TPB Board Resolution No. 226 dated September 11, 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, s. 1987 and as reiterated in Corporate Budget Circular (CBC) No. 22 dated December 1, 2016, is hereby approved for a total of **ONE BILLION SEVEN HUNDRED SIX MILLION SEVEN HUNDRED THIRTEEN THOUSAND PESOS ONLY (P1,706,713,000.00)**, details of which are shown below:

Particulars	Proposal (a)	Approved (b)	Variance (c=a-b)
<b>TOTAL SOURCES:</b>	P <u>1,881,850,000</u>	P <u>1,706,713,000</u>	P <u>(175,137,000)</u>
Special Account in the General Fund (SAGF)	1,802,370,000	1,627,233,000	(175,137,000) a/
Corporate Income	79,480,000	79,480,000	-
<b>TOTAL USES:</b>	P <u>1,881,850,000</u>	P <u>1,706,713,000</u>	P <u>(175,137,000)</u>
Personnel Services (PS)	90,834,000	89,454,000	(1,380,000) b/
Maintenance and Other Operating Expenses (MOOE)	1,781,016,000	1,607,259,000	(173,757,000) c/
Capital Outlays (CO)	10,000,000	10,000,000	d/ -
<b>Excess/(Shortfall)</b>	P <u>-</u>	P <u>-</u>	P <u>-</u>

a/ The variance refers to the unreleased portion of the Corporation's request for FY 2019 SAGF which represents the requirements that might not be implemented within the said year, as represented by the TPB during the meeting held on September 2, 2019 among the officials and representatives from the Department of Tourism (DOT), TPB and DBM.

Particulars	Amount	Remarks
b/ The variance refers to the following:		
Year End Bonus	P 955,000	Corresponds to the requirements of unfilled positions that were not considered. Recommended level considers the hiring of only 20 positions, in addition to the 97 filled positions, or a total of 117 positions. Only five (5) personnel are entitled based on CSC Memorandum Circular No. 06, s. 2002
Cash Gift	150,000	
Productivity Enhancement Incentive	150,000	
Loyalty Award	125,000 -	
<b>Total</b>	P <u>1,380,000</u>	

Particulars	Amount	Remarks
c/ The variance refers to the following:		
Advertising Expenses	P 164,441,000	Requirements which might not be implemented within the year as represented by the TPB during the meeting held on September 2, 2019 among the officials and representatives from the DOT, TPB and DBM
Training Expenses	2,235,000	
Supplies and Materials Expenses	2,255,000	Adjustments in the MOOE computation which was based on the higher amount between the FYs 2017 audited and 2018 actual, plus effect of inflation, or proposal, whichever is lower
Communication Expenses	1,005,000	
Consultancy Services	2,064,000	
Repair and Maintenance	686,000	
Fidelity Bond Premiums	115,000	
Insurance Expenses	897,000	
Subscription Expenses	59,000	
<b>Total</b>	P <u>173,757,000</u>	



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d/ CO is intended to the following:

Machinery and Equipment Outlay	P	6,881,000	
Furniture, Fixtures and Books Outlay		792,000	
Transportation Equipment Outlay		2,327,000	- Already procured in January 2019 consistent with DBM recommendation and DOT approval on November 6 and 21, 2018, respectively
<b>Total</b>	<b>P</b>	<b><u>10,000,000</u></b>	

Notwithstanding the above indicated variances in PS and MOOE, the TPB has the flexibility to modify its utilization within the DBM-approved budget level for items funded out of corporate funds. In case of those funded out of National Government budgetary support (SAGF), Section 76 of the General Provisions of RA No. 10264 on the rules on modification in the allotment shall apply.


**The following conditions shall be observed and complied with:**

- All expenditures, whether for current operating expenditures or CO, 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 the submission of a supplemental COB to cover the additional expenditures.
- This approval shall not be construed as an authorization for specific expenditure items under PS which requires prior approval of the Office of the President (OP). Disbursements for personnel services shall be subject to the pertinent compensation laws, rules and regulations, including EO Nos. 7 (s. 2010), 24 (s. 2011), 201 (s. 2016) and 36 (s. 2017). Such expenditures shall be consistent with EO No. 76, s. 2012 and also be conditioned on the relevant GP of FY 2019 GAA or any specific law or approval of the President of the Philippines or Secretary of Budget and Management, as the case maybe.
- Disbursements for Extraordinary and Miscellaneous Expenses (EME) and other MOOE expenditures shall be subject to the relevant provision of the annual GAA.
- Equipment outlays included in the Annual Equipment Procurement Program that require specific clearance/approval from the departments/agencies concerned (e.g., Department of Information and Communications Technology (DICT), particularly for Medium-Term Information and Communications Technology Harmonization Initiative Steering Committee, for information technology equipment and OP/DBM/Supervising Department for procurement of motor vehicles), the same shall be secured before acquisition thereof in accordance with CBC No. 17 dated February 9, 1996, BC No. 2017-1 dated April 26, 2017, respectively, OP Memorandum Circular No. 9 dated December 14, 2010, and Administrative Order (AO) 15 dated May 25, 2011, and AO No. 14 dated December 10, 2018, as implemented under BC Nos. 2019-2 and 2019-3 dated March 4 and May 16, 2019, respectively.
- 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.
- 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 AO No. 6 dated September 19, 2017.
- 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 No. 292.

**Recommending Approval:**

  
**CARMENCITA P. MAHINAY**  
Director, BMB-C

**Approved:**

By Authority of the Secretary  
  
**TINA ROSE MARIE L. CANDIA**  
Undersecretary

Date: 11-6-19

COB No. **C4-2019-0038**

**CORPORATE OPERATING BUDGET**  
Fiscal Year (FY) 2019

**TO: TOURISM PROMOTIONS BOARD (TPB)**

cc: The Chairperson  
Board of Directors, TPB

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

The Resident Auditor  
COA - TPB

Department of Budget and Management

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