



MIAA-GENERAL SERVICES DIVISION
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DEC 04 2019

GEORGE P. MACASILIG
 GSD Records Custodian

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

CORPORATE OPERATING BUDGET

Calendar Year 2019

TO: MANILA INTERNATIONAL AIRPORT AUTHORITY (MIAA)

Your Corporate Operating Budget (COB) for Calendar Year 2019 per Board Resolution Nos. 2018-071, 2019-004, 2019-022, 2019-049 and 2019-060 dated October 31, 2018, February 11, 2019, March 28, 2019, July 5, 2019 and July 31, 2019, respectively, 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 **SIXTEEN BILLION NINE HUNDRED SEVENTY-NINE MILLION TWO HUNDRED TWENTY-ONE THOUSAND PESOS ONLY (P16,979,221,000)** details of which are shown below:

PARTICULARS	PROPOSAL		APPROVED		VARIANCE	
	(a)	(b)	(b)	(c)	(c)	(c)
TOTAL SOURCES:						
Corporate Funds	P 19,692,217,000	P 19,692,217,000	P 19,692,217,000	P -		
	19,692,217,000		19,692,217,000	a/ -		
TOTAL USES:						
Personnel Services (PS)	P 19,692,217,000	P 16,979,221,000	P 16,979,221,000	P (2,712,996,000)		
Maint. & Other Operating Exp. (MOOE)	1,093,303,000	837,800,000	837,800,000	b/ (255,503,000)	c/	
Capital Outlays (CO)	5,128,410,000	4,885,489,000	4,885,489,000	d/ (242,921,000)	e/	
Debt Service	6,072,046,000	3,857,474,000	3,857,474,000	f/ (2,214,572,000)		
Remittance of NG Share	1,127,207,000	1,127,207,000	1,127,207,000	-		
Income Taxes	1,859,157,000	1,859,157,000	1,859,157,000	-		
Dividend	2,036,351,000	2,036,351,000	2,036,351,000	-		
	2,375,743,000	2,375,743,000	2,375,743,000	-		
Excess / (Shortfall)	P -	P 2,712,996,000	P 2,712,996,000	P 2,712,996,000		

Footnotes:

- a/ Includes available cash amounting to P2,918,459,000.
- b/ Includes P25.122 Million for Performance Based Bonus to be used **exclusively** for the purpose and which is subject to evaluation, review and approval of GCG.
- c/ The variance of P254,591,000 refers to the overprovision for the following:

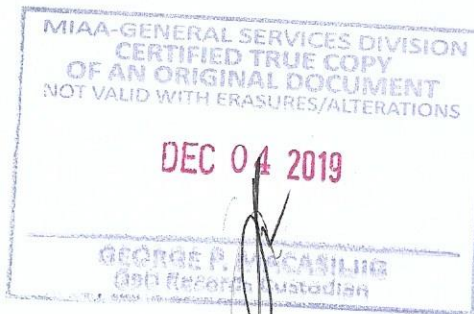
Salaries, Permanent	P 61,518,000	Excess in the computation for 1,409 positions broken down as follows: a) 1,123 filled permanent positions; b) 200 filled casual and contractual positions; c) 33 permanent positions for filling-up; and d) 53 casual and contractual positions for filling-up. Computed at a) 40% of basic salary for incumbents as of July 1, 1989 and b) various rates authorized in the General Provisions of the GAA for non-incumbents as of July 1, 1989; proposal is for Division Managers and up positions only	
Wages and benefits, Contractuals and Casuals	83,904,000		
Personnel Economic Relief Allowance	2,418,000		
Uniform/Clothing Allowance	654,000		
Mid-Year Bonus	6,580,000		
Year-end bonus	5,668,000		
Cash gift	528,000		
RATA	21,951,000		
Night-Shift Differential	135,000		For 1,409 positions. <u>Grant of night-shift differential is subject to provisions of Budget Circular No. 8, s. 1995</u>
Overtime Pay	31,645,000		Pegged at 2018 actual for budgetary purposes. <u>Grant of overtime pay is subject to the provisions of CSC-DBM Joint Circular No. 1, s. 2015</u>
Hazard Pay	1,883,000	Limited to P600/month per letter approval of the President dated March 24, 2003	
Special Counsel Allowance	240,000	No recommendation since no actual for the previous years Limited to incumbents as of June 30, 1989 Limited to 5,000/year Computed at 12% of basic salary Limited to P100/month Computed pursuant to Circular Letter No. 2019-8 dated July 3, 2019	
Rice Allowance	18,811,000		
Meal Allowance	7,783,000		
Children's Allowance	1,142,000		
Medical Allowance	1,982,000		
Productivity Enhancement Incentives	495,000		
Life and Retirement Insurance Premium	7,382,000		
Employees Compensation Insurance Premium	120,000		
Pac-IBIG Contributions	120,000		
PhilHealth Contributions	544,000		

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d/ Includes Intelligence Fund of P12 million, the actual utilization of which requires prior approval from the Office of the President pursuant to Commission on Audit-Department of Budget and Management-Department of Interior and Local Government-Governance Commission for Government Owned or Controlled Corporations-Department of National Defense (COA-DBM-DILG-GCG-DND) Joint Circular (JC) No. 2015-1 dated January 8, 2015.

e/ The MOOE level was computed by taking into consideration the previous years' actual/audited expenses, actual as of September and the effects of inflation in 2019. Details of variance are as follows:

<u>Particulars</u>		<u>Amount</u>
Supplies and Materials	P	67,925,000 ✓
Legal Services		3,552,000 ✓
Consultancy Services		54,247,000 ✓
Travelling Expenses		1,171,000 ✓
Subscription Expenses		2,794,000 ✓
Membership Dues and Contributions to Orgs.		3,919,000 ✓
Advertising/Publications/Promotional		4,825,000 ✓
Printing and Binding Expense		1,169,000 ✓
Representation Expenses		2,828,000 ✓
Grants, Subsidies and Contributions/Donations		1,000,000 ✓
Training and Scholarship Expenses		2,384,000 ✓
Extraordinary and Miscellaneous Expenses		2,091,000 ✓
Other Miscellaneous Expenses		22,312,000 ✓
Service Fee		62,656,000 ✓
Intelligence Fund		4,000,000 ✓
Transportation and Delivery Expenses		275,000 ✓
Survey Research and Development		5,773,000 ✓
Total	P	242,921,000



Per GAA rates

Per GCG clearance dated September 10, 2019

f/ The recommended CO pertains to funding requirements of doable projects in FY 2019, broken down as follows:

<u>Particulars</u>		<u>Amount</u>
Land and Land Improvements Outlay	P	805,306,000
Buildings and Structures Outlay		171,916,000
Office Equipment, Furniture and Fixture		30,951,000
Information Technology Outlay*		110,350,000
Machineries and Equipment Outlay		2,609,042,000
Infrastructure Outlay		93,249,000
Transportation Equipment**		36,660,000
Total	P	3,857,474,000

* The procurement of Information Technology Outlay shall be consistent with the Department of Information and Communications Technology (DICT)-approved Information Systems Strategic Plan (ISSP) for 2019-2021.

** The purchase of transportation equipment shall be consistent with the following guidelines:

1. Per Administrative Order (AO) No. 14 dated December 10, 2018, the proposed acquisition of motor vehicle is approved by the Department of Budget and Management through an Authority to Purchase Motor Vehicle per attached APMV No. C-19-0035, and recommended/endorsed by the Department of Transportation dated August 7, 2019, as the supervising body of the MIAA.

2. Procuring entities may undertake their own procurement of motor vehicles pursuant to GPPB Resolution No. 20-2019 which delisted the motor vehicles from the list of Common-Use Supplies and Equipment to be procured through the Procurement Service.

Notwithstanding the variances in PS, MOOE and CO, the MIAA has the flexibility to modify its utilization within the DBM-approved budget level for items funded out of corporate funds.

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.

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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 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 Government-Owned and Controlled Corporations (GOCCs) covered by Republic Act No. 10149. Such expenditures shall be subject to relevant conditions under the General Provisions (GPs) 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 Governance Commission for GOCCs. as the case may be.
4. Disbursements for Extraordinary and Miscellaneous Expenses (EME) and other MOOE items shall be subject to the relevant provisions of the annual GAA, among others. The utilization of the Confidential and Intelligence Fund shall be covered by a prior approval by the President of the Philippines before disbursement consistent with the provisions of COA-DBM-DILG-GCG-DND JC No. 2015-1 dated January 8, 2015.
5. Equipment outlays included in the Annual Procurement Program that require specific clearance/approval from the Agencies concerned (e.g., DICT - Information and Communications Technology Office 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 conditions on the acquisition of MVs are indicated on the attached APMV No. C-19-0035.
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 AO 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 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:


CARMENCITA P. MAHINAY
Director, BMB-C

Date: 11-6-19

Approved:

By Authority of the Acting Secretary:


TINA ROSE MARIE L. CANDA
Undersecretary

COB No. C2-19-0035

cc: **The Chairman**
Board of Directors, MIAA

Assistant Commissioner Winnie Rose H. Encallado
Commission on Audit (COA) - Central Office
COA Building, Quezon City

The Resident Auditor
COA - MIAA

Department of Budget and Management
BTS

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GEORGE M. CASILJIG
COA Resident Auditor