



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

CORPORATE OPERATING BUDGET
Calendar Year 2020

TO: MANILA INTERNATIONAL AIRPORT AUTHORITY (MIAA)

Your Corporate Operating Budget (COB) for Calendar Year 2020 per Board Resolution Nos. 2019-096 dated November 12, 2019, 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 **NINE BILLION TWO HUNDRED NINETY-NINE MILLION NINE HUNDRED NINETY-SIX THOUSAND PESOS ONLY (P9,299,996,000)** details of which are shown below:

PARTICULARS	PROPOSAL (a)	APPROVED (b)	VARIANCE (c)
TOTAL SOURCES:	P 9,591,560,000	P 9,591,560,000	P -
Corporate Funds	9,591,560,000	9,591,560,000	a/ -
TOTAL USES:	P 9,591,560,000	P 9,299,996,000	P (291,564,000)
Personnel Services (PS)	934,240,000	934,240,000	b/ -
Maint. & Other Operating Exp. (MOOE)	4,146,524,000	4,146,524,000	c/ -
Capital Outlays (CO)	2,340,904,000	2,049,340,000	d/ (291,564,000) e/
Others	2,169,892,000	2,169,892,000	-
Debt Service	1,023,594,000	1,023,594,000	-
Remittance of NG Share	765,899,000	765,899,000	-
Income Taxes	380,399,000	380,399,000	-
Excess / (Shortfall)	P -	P 291,564,000	P 291,564,000

Footnotes:

a/ Includes charges to Retained Earnings of P4,109,367,000.

b/ The recommended PS for FY 2020 is based on the re-calibrated levels submitted by the MIAA (actual as of September, 2020 and projected for the period October to December, 2020).

c/ The recommended MOOE level is based on the re-calibrated MOOE level submitted by the MIAA as of November 13, 2020 (actual as of September 30, 2020 and projected for the 4th quarter)

d/ The recommended CO pertains to funding requirements of doable projects in FY 2020, broken down as follows:

Particulars	Amount
Land and Land Improvements Outlay	P 3,900,000
Buildings and Structures Outlay	318,321,000
Machineries and Equipment Outlay	1,685,815,000
Office Equipment, Furniture and Fixture, IT	2,601,000
Other Property, Plant and Equipment Outlay	1,863,000
Books Outlay	180,000
Transportation Equipment*	36,660,000
Total	P 2,049,340,000

* 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 (APMV) per previously issued APMV No. C-19-0035 dated November 26, 2019.

2. Procuring entities may undertake their own procurement of motor vehicles pursuant to GPPB Resolution No. 20-2019.

e/ The variance in CO, per coordination with MIAA, pertains to projects and acquisitions that may be re-programmed in FY 2021.

Notwithstanding the above-indicated variance in CO, the MIAA still has the flexibility to modify its utilization within the DBM-approved budget level for items funded out of the corporate funds. In the case of those funded out of NG budgetary support, Section 70 of the General Provisions of RA No. 11465 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 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.

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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 (OP). Disbursements 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 CPCS under EO No. 203, Providing for Interim Compensation Adjustments, and for Other Purposes) for Government-Owned and -Controlled Corporations (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 Governance Commission for GOCCs (GCG), as the case may be.
4. Disbursements for EME and other MOOE expenditures shall be subject to the relevant provisions of the annual GAA.
5. Collective Negotiations Agreement (CNA) may be granted to qualified personnel subject to the relevant provisions of the annual GAA and policies, rules and regulations issued by the DBM.
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 case the same is impracticable, the GOCC shall be allowed to continue with the existing payment scheme.
8. 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.
9. 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.
10. 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:


CARMENCITA P. MAHINAY
Director, BMB-C

Date: December 14, 2020

Approved:

By Authority of the Acting Secretary:


TINA ROSE MARIE L. CANDA
Undersecretary

COB No. C3-20-0048

- cc: **The Chairman**
Board of Directors, MIAA
- The Assistant Commissioner, Corporate Sector**
Commission on Audit (COA) - Central Office
COA Building, Quezon City
- The Resident Auditor**
COA - MIAA

