



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

CORPORATE OPERATING BUDGET

Fiscal Year 2023

TO: DEVELOPMENT ACADEMY OF THE PHILIPPINES (DAP)

Your Corporate Operating Budget (COB) for FY 2023 per approved Board Resolution No. 003, s. 2023 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 amount of **ONE BILLION SEVEN HUNDRED ELEVEN MILLION ONE HUNDRED SIXTY-FOUR THOUSAND PESOS ONLY (P1,711,164,000.00)**, details of which are shown below:

PARTICULARS	PROPOSAL (a)	APPROVED (b)	VARIANCE (c=b-a)
TOTAL SOURCES	P 1,767,685,000	P 1,767,685,000	P -
Corporate Funds	343,596,000	343,596,000	-
National Government (NG) Support	1,424,089,000	1,424,089,000	-
TOTAL USES	P 1,764,375,000	P 1,711,164,000	P (53,211,000)
Personnel Services (PS)	378,665,000	377,668,000 a/	(997,000)
Maintenance & Other Operating Expenses (MOOE)	494,166,000	441,952,000 b/	(52,214,000)
Capital Outlays (CO)	891,544,000	891,544,000 c/	-
Excess	P 3,310,000	P 56,521,000	P 53,211,000

Footnotes:

- a/ The approved PS level is computed based on the fourth tranche of Salary Standardization Law V, adopting the basic salary authorized under Republic Act No. 11466 dated January 8, 2020, as DAP is excluded from the coverage of Republic Act No. 10149 per Governance Commission for GOCCs (GCG) Memorandum Order No. 2022-4. The variance of P997,000.00 pertains to the overprovision of PS items based on the applicable rates prescribed in the annual General Appropriations Act (GAA) and any specific law governing salaries and benefits, without prejudice to the subsequent re-evaluation and reclassification by the GCG of the DAP during the year that may result to the revocation of the GCG MO No. 2022-4.
- b/ The approved MOOE level is computed considering the DAP's absorptive capacity for the three (3) immediately preceding years, wherein the highest Budget Utilization Rate (BUR) is applied to MOOE items, except those covered by contracts, which are recommended as proposed. Meanwhile, the variance of P52,214,000.00 pertains to the effect of the application of the FY 2020 BUR.
- c/ The approved CO level considers the implementation-readiness of the projects and activities under the respective CO items which are expected to be completed within the year as certified by the DAP. The approved CO likewise includes an amount of P12,000,000.00 for the acquisition of five (5) units of motor vehicles and the corresponding Authority to Purchase Motor Vehicles shall be acted upon separately subject to the DAP's submission of supporting documents prescribed under Section 12.3 of Budget Circular No. 2022-01 dated February 11, 2022.

Notwithstanding the aforementioned variances in PS and MOOE, the DAP still has the flexibility to modify its utilization within the total DBM-approved budget level.

Further, the following conditions shall be observed and complied with:

- All expenditures, whether for current operating expenditures or for COs, shall be made within the limits of available funds realized from corporate receipts, authorized corporate borrowings and NG 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 by the 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. Such expenditures shall also be subject to relevant conditions under the GPs of the annual 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.
- Disbursements for Extraordinary and Miscellaneous Expenses and other MOOE expenditures shall be subject to the relevant provisions of the annual GAA, among others.

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5. 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. Example: OP/Department of Budget and Management/Supervising Department for the purchase of MV, if any, in accordance with the provisions of the Budget Circular No. 2022-01 dated February 11, 2022 (Omnibus Guidelines on the Acquisition, Use, Rental, and Replacement of MVs), RA No. 9184 (Government Procurement Reform Act) and its Implementing Rules and Regulations, among others.
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. Pursuant to AO No. 6 dated September 19, 2017, no irregular, unnecessary, extravagant, excessive and unconscionable expenses shall be incurred. Furthermore, existing laws, rules and regulations mandating the judicious and prudent use of government funds shall be observed.
8. It is understood that this review action does not authorize any item of expenditure that is prohibited by or inconsistent with the provisions existing laws, rules and regulations.
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 No. 292.


Recommending Approval:


Digitally signed by
Elena Regina S.
Brillantes

ELENA REGINA S. BRILLANTES
Director IV, BMB-C

Approved by:

By the Authority of the Secretary:


CRISTINA B. CLASARA
Acting Undersecretary
Budget Preparation and Execution Group

cf: **The Chairman**
Board of Directors, DAP

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

The Resident Auditor
COA - DAP

COB No. C4-23-0054

Date: May 2, 2023