

LIII. UNPROGRAMMED FUND

For fund requirements in accordance with the purposes indicated hereunder..... P26,454,811,000

New Appropriations, by Purpose

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Current Operating Expenditures

	<u>Personal Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
<b>A. PURPOSE(S)</b>				
1. Budgetary Support to Government-Owned and/or -Controlled Corporations Subject to Section 35 of E.O. No. 292	P	P	P10,772,571,000	P10,772,571,000
2. National Government Support for Premium Contribution of Indigents Enrolled under the National Health Insurance Program		100,000,000		100,000,000
3. Support for Foreign-Assisted Projects	30,000,000	220,000,000	4,750,000,000	5,000,000,000
4. Comprehensive Import Supervision Scheme		4,000,000,000		4,000,000,000
5. Municipal Development Fund			193,131,000	193,131,000
6. Shares of CHED and PCIC from Proceeds of Lotto Operations of the Philippine Charity Sweepstakes Office			160,000,000	160,000,000
7. Agricultural Competitiveness Enhancement Fund			800,000,000	800,000,000
8. General Fund Adjustments	880,777,000	1,713,239,000	2,618,093,000	5,212,109,000
9. Local Government Development Loan Fund	2,500,000	2,010,000	200,000,000	204,510,000
10. Budgetary Support to the Regional Center for Community Based Resource Management		12,490,000		12,490,000
<b>TOTAL NEW APPROPRIATIONS</b>	<b>P 913,277,000</b>	<b>P 6,047,739,000</b>	<b>19,493,795,000</b>	<b>P26,454,811,000</b>

Special Provisions

1. Release of the Fund. The amounts herein appropriated shall be released only when the revenue collections exceed the original revenue targets submitted by the President of the Philippines to Congress pursuant to Section 22, Article VII of the Constitution or when the corresponding funding or receipts for the purpose have been realized except in the special cases covered by specific procedures in Special Provision Nos. 2, 3, and 6 herein: PROVIDED, That in cases of foreign-assisted projects, the existence of a perfected loan agreement shall be sufficient compliance for the issuance of a Special Allotment Release Order covering the loan proceeds: PROVIDED, FURTHER, That no amount of the Unprogrammed Fund shall be funded out of the savings generated from programmed items in this Act.

2. Stock Dividends. Stock dividends when declared by government-owned and/or controlled corporations in favor of the National Government pursuant to R.A. No. 7656 shall be considered as equity contributions of the National Government to said corporations: PROVIDED, That such contributions shall be chargeable against Purpose 1 - Budgetary Support to Government-Owned and/or Controlled Corporations: PROVIDED, FURTHER, That such contributions shall require only the issuance of Special Allotment Release Order for book entry purposes.

3. Conversion of Releases from Hotel Room Taxes into Equity. The appropriation authorized in Purpose A.1 may be used to cover the conversion into equity to the Philippine Tourism Authority (PTA) of prior years' releases, chargeable against its share from Hotel Room Taxes (HRT), which were used for projects that were eventually considered as assets of the Authority: PROVIDED, That such conversion shall require only the issuance of Special Allotment Release Order for book entry purposes.

4. National Government Support for Premium Contribution of Indigents Enrolled under the National Health. The appropriations herein authorized as National Government support for premium contribution of indigents shall be released as subsidy to the Philippine Health Insurance Corporation subject to the submission of a special budget pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292: PROVIDED, That such request shall be supported by a certification showing among others the number of enrollees to the National Health Insurance Program by LGU, and a certification from the PHIC Chief Accountant that the corresponding LGU share in the premium has already been paid and such other reports that may be required by the Department of Budget and Management: PROVIDED, FURTHER, That the amount being requested shall be within the amount earmarked for the National Health Insurance Fund from actual collections of incremental revenues derived from excise tax on cigarettes under R.A. No. 7654 starting 1995 and from documentary stamp tax under R.A. No. 7660 starting 1996, duly certified by the Bureau of Internal Revenue and the Bureau of the Treasury.

5. Relending to Local Government Units. The amount appropriated under the Municipal Development Fund shall be used for relending to LGUs and shall be released to and administered by the Bureau of Local Government Finance of the Department of Finance for the following foreign-assisted projects:

Bukidnon Integrated Development Project	P 70,000,000
Philippine Regional Municipal Development Project	123,131,000
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Total	P 193,131,000
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6. Shares from Proceeds of Lotto Operations of the Philippine Charity Sweepstakes Office. The Commission on Higher Education and the Philippine Crop Insurance Corporation shall be entitled to their shares from the lotto operations, subject to the certification of the receipt of funds from the Philippine Charity Sweepstakes Office by the Bureau of the Treasury as follows:

a. CHED. One percent (1%) of gross sales of the PCSO from its lotto operations pursuant to Section 10 of R.A. No. 7722, for the Higher Education Development Fund;

b. PCIC. Ten percent (10%) of the net earnings of the PCSO from its lotto operations, pursuant to Section 6.5 of R.A. No. 8175.

7. Agricultural Competitiveness Enhancement Fund. The Appropriations herein authorized shall be funded from the proceeds of the importation of agricultural products with minimum access volume. The same shall be used to finance irrigation, farm-to-market roads, post harvest equipment and facilities, credit, research and development, other marketing infrastructure, provision of market information, retraining, extension services, and other forms of assistance and support to the agricultural sector as mandated under Section 8 of R.A. No. 8178: PROVIDED, That an amount not exceeding Two Hundred Forty Five Million Pesos (P245,000,000) will be provided for the implementation of competitiveness enhancement for the crops and livestock sectors.

8. Authorized Overdrafts of Departments/Agencies. The amount appropriated under Purpose 8 - General Fund Adjustments may be used to cover past authorized overdrafts of bureaus/agencies pertaining to salary increase, bonus, terminal leave and retirement gratuity mandated by existing circulars issued for the purpose: PROVIDED, That such overdrafts shall be validated by the Commission on Audit: PROVIDED, FURTHER, That such appropriation shall require only the issuance of a Special Allotment Release Order for book entry purposes.

9. Transfer of Assets By Way of Dacion en Pago from Central Bank Board of Liquidators to DOF and MEDA. The appropriation authorized under Purpose 8 - General Fund Adjustments may likewise be used to cover the transfer of assets from the Central Bank Board of Liquidators amounting to One Billion Two Hundred Ninety-Four Million Seven Hundred Twenty-Five Thousand Pesos (P1,294,725,000) to the Department of Finance, Bureau of the Treasury and the National Economic and Development Authority as approved by the President on February 12, 1997: PROVIDED, That such transfer shall require only the issuance of a Special Allotment Release Order for book entry purposes.

10. Specific Local Government Shares. Such amount as may be necessary under Purpose 8 - General Fund Adjustments may be used to cover remittances of the shares in national revenue of concerned LGUs affected by the declaration and establishment of special economic zones pursuant to R.A. No. 7227 and R.A. No. 7916, upon submittal by concerned LGU of a Special Budget request duly supported by a certification of actual collections made by the Bureau of Internal Revenue and certification of the Bureau of the Treasury that the receipts collected for the purpose have actually been remitted to the National Treasury.

11. Modernization of the AFP, PHP, MAPOLCON and MANRIA. The funds needed to support the modernization program of the Armed Forces of the Philippines, Philippine National Police, National Police Commission and National Mapping and Resource Information Authority shall, among others, be sourced and augmented from the proceeds of privatization as well as disposition of the assets of the said agencies other than those specified in R.A. No. 7227, as amended by R.A. No. 7917. The funds thus generated shall be automatically appropriated up to the extent necessary for the purpose, subject to Section 35, Chapter 5, Book VI of E.O. No. 292. Any proceeds in excess of actual funding requirements shall be reverted to the General Fund.

12. Local Government Development Loan Fund. The amount herein appropriated for Local Government Development Loan Fund which shall be sourced from the loan interest payments deposited in the Bureau of the Treasury, shall be administered jointly by the Department of the Interior and Local Government (DILG) and the Land Bank of the Philippines for productive purposes and to insure repayments. (CONDITIONAL IMPLEMENTATION - President's Veto Message, February 14, 1998, page 1522, R.A. 8522)

13. Budgetary Support to the Regional Center for Community Based Resource Management. The amount herein appropriated under Purpose 10, shall be charged against the unexpended balance of the Central Visayas Regional Project I (CYRP I) and shall be used for the continued support to the CYRP I project through the Regional Center for Community Based Resource Management.

14. Use of Income from Fees and Charges. Agencies collecting fees and charges as shown in the 1998 Budget of Expenditures and Sources of Financing for services rendered are authorized to use during the Calendar Year Fifty Percent (50%) of the actual increase in collections from such fees and charges between 1996 and 1997 chargeable against Purpose 8 - General Fund Adjustments, to augment their respective current appropriations: PROVIDED, That the use of said increase in collections shall be subject to the submission of a special budget pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292: PROVIDED, FURTHER, That said increase shall not be used to augment Personal Services appropriations.

15. Use/Charging of Income. Departments and agencies which are listed hereunder are authorized to use their income chargeable against Purpose 8 - General Fund Adjustments, subject to the limitations indicated herein and to special budgets pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292, except as otherwise provided hereunder: PROVIDED, That such income shall have been actually collected and remitted to the National Treasury: PROVIDED, FURTHER, That such income shall not be used for the creation of positions nor for payment of salaries, wages or allowances of existing permanent positions: PROVIDED, FURTHERMORE, That if the authority to use income herein granted is availed of by the Agency, it is precluded from availing itself of the use of income under Special Provision No. 12 hereof: PROVIDED, FINALLY, That the department or agency concerned shall submit to the Department of Budget and Management a quarterly report of such income and its utilization, and in case of failure to submit said requirement, no withdrawal shall be allowed in subsequent quarters except upon certification of the DBM that said requirement was submitted.

DEPARTMENT/AGENCY	SOURCE OF INCOME	PURPOSE	AMOUNT
<b>AGRICULTURE</b>			
Office of the Secretary	Training fees and other income derived from the use and operation of the Agricultural Training Institute and other Agricultural Training Centers	Maintenance and operation of training P facilities administered by the Institute	5,000,000
Bureau of Post Harvest Research and Extension	Income from the sale of stocks, developed technologies and training materials; training fees; operations of the grain processing plant; R & D facilities	To cover expenses incurred in the conduct of experiments, maintenance of grain processing plant and R & D facilities	5,000,000
National Meat Inspection Commission	Income derived from ante-mortem and post-mortem fees, meat import and export, accreditation and licensing fees and services such as processing fees for veterinary quarantine certificate import permit and laboratory fees	To defray developmental expenses	4,000,000
National Stud Farm	Income derived from breeding operations such as stud service fees, boarding fees and other fees received in connection with the registration of race horses.	To cover operating expenses	4,000,000
<b>BUDGET AND MANAGEMENT</b>			
Procurement Service	Service fees from procurement operations	To cover financial requirements of the Service as authorized by the Procurement Policy Board	35,000,000
<b>EDUCATION, CULTURE AND SPORTS</b>			
National Historical Institute	Proceeds from the sale of museum souvenirs, replicas, historical objects, and publications	To defray expenses for the printing of publications and reproduction of museum souvenirs and historical objects	500,000

National Museum	Proceeds from the sale of souvenirs, relics or publications	To defray expenses for fabrication and reproduction of museum souvenirs, relics and printing of publications and operation and maintenance of museum shop	1,000,000
<b>STATE UNIVERSITIES AND COLLEGES</b>			
	Tuition fees, school charges and other income, except those accruing to revolving funds under LOI Nos. 872 and 1026, and those authorized as trust receipts pursuant to Sec. 45, Chapter 5, Book VI of E.O. 292 upon submission of a special budget to the DBM, subject to accounting and auditing rules	Fifty percent (50%) of the income of State Universities and Colleges shall be used to augment maintenance and other operating expenses or capital outlays of which in applicable cases at least Thirty Percent (30%) shall be used for the production of rice, corn and vegetables in their areas, while the remaining Fifty Percent (50%) shall be used for teacher - student welfare and for augmentation of Personnel Services appropriation except for salaries and for creation of new positions	943,998,000
		Student welfare shall include but shall not be limited to allowances given to students who render services to the school, while teacher welfare shall include but shall not be limited to authorized allowances and other fringe benefits, training and seminar expenses	
<b>ENVIRONMENT AND NATURAL RESOURCES</b>			
National Mapping and Resource Information Authority	Proceeds from the sale of maps and charts and the operation of photo laboratory	Reproduction of maps and charts and printing of publications	8,000,000
Mines and Geo-Science Bureau	Ten percent (10%) of royalties and revenues derived from the development and utilization of mineral resources within mineral reservations	To finance special projects and other administrative expenses related to the exploration and development of other mineral reservations	1,980,000
<b>FINANCE</b>			
Bureau of Internal Revenue	Income derived from fines and penalties for violations related to the printing and issuance of receipts and invoices and other violations of the NIRC	To finance the BIR Tax Raffle Promo Program and to defray expenses relative to its implementation	10,000,000
	Increase in total revenue collection achieved during the immediately preceding year over that of the previous year provided that the approved BIR revenue targets originally used in the formulation of the budget as proposed by the President to Congress have been attained	Productivity incentive allowance of BIR personnel as may be authorized by the President upon recommendation of the Secretary of Finance provided that this benefit shall be in lieu of incentives or similar benefits granted by law or by the President	100,000,000
	Sale of internal revenue tobacco strip stamps	Printing cost of internal revenue tobacco strip stamps	55,000,000
Bureau of Customs	Sale of forms	Printing of forms	30,000,000

Securities and Exchange Commission	Registration, filing fees	To defray additional maintenance and other operating expenses and capital outlays requirements of the Commission	140,000,000
<b>FOREIGN AFFAIRS</b>			
Office of the Secretary	Income from consular services	Program of assistance to distressed Filipinos abroad including support for legal assistance and their repatriation to the Philippines and other related consular services	75,000,000
	Income from passports	To cover the cost of printing passport booklets	126,000,000
	Consular Services	For the cost differentials in foreign exchange requirements arising from the difference between the exchange rate used in formulating the 1998 budget (P27.57 to \$1) and the actual exchange rate when the expenditure authorized in this Act were incurred	150,000,000
		Use of income for this purpose shall only be allowed if the department has no available savings to cover the cost differentials in foreign exchange	
<b>HEALTH</b>			
Office of the Secretary	Actual income of hospitals retained in the DOH	To fund deficiencies in maintenance and other operating expenses and capital outlays	300,000,000
	Sale of products of herbal processing plants	To cover the expenses in operation of such herbal processing plants and marketing of their products	25,000,000
Nutrition Service	Income generated from the operation of the Sangkap Pinoy Seal Program	To augment the operating requirements of the program	1,000,000
Research Institute for Tropical Medicine	Royalties and other related fees or income from the use and sale of research products and other scientific technologies	Research activities	2,000,000
Bureau of Food and Drugs	Registration of products and licensing of establishments and other related fees or income	For quality and safety assurance of food, drugs, devices and cosmetics	15,000,000
<b>INTERIOR AND LOCAL GOVERNMENT</b>			
Local Government Academy	Income from training	To augment funds for training and the repair and maintenance of training facilities	300,000
Bureau of Fire Protection	Income from the enforcement of the Fire Code of the Philippines	To augment funds for the procurement of firefighting equipment, rescue and paramedic facilities	85,000,000
<b>JUSTICE</b>			
Bureau of Immigration	Immigration fees	Computerization project	30,000,000
National Bureau of Investigation	Income from the issuance of NBI clearance certificates	To augment operating and maintenance expenses including the payment of overtime pay, valid unbooked obligations, acquisition of computers and other equipment	40,000,000

Land Registration Authority	Income from registration fees	To defray additional operational requirements and capital outlays of the Authority	110,000,000
<b>LABOR AND EMPLOYMENT</b>			
Office of the Secretary	Payments collected for the PRESEED Program	For relending to qualified beneficiaries	50,000,000
	Payments collected from the Worker's Organization and Development (WOD) programs	For relending to qualified beneficiaries	50,000,000
	Payments collected from the Organization of Working Youth and Leadership Productivity Formation Program	For relending to qualified beneficiaries	5,000,000
	Payments collected from the lending program for placed OCWs	For relending to qualified beneficiaries	15,000,000
National Conciliation and Mediation Board	Registration fees for collective bargaining agreements pursuant to R.A. No. 6715	For the efficient and effective administration of the Voluntary Arbitration Program	800,000
National Maritime Polytechnic	Tuition fees, school charges and sources imposed by the Governing Board	To augment funds for the upgrading, maintenance and operation of laboratories and training facilities	5,570,000
Philippine Overseas Employment Administration	Processing fees, charges, fines and penalties	For operating and maintenance expenses including the purchase of equipment needed for the intensification of the campaign against illegal recruitment, entrapment and for worker's protection and welfare	10,000,000
	Collections derived from the issuance of Artist Record Book and the Conduct of Pre-Departure Showcase Preview	To cover the cost of printing, production materials and equipment and other miscellaneous expenses related thereto	4,000,000
Technical Education and Skills Development Authority	Products, services, fees and charges	To augment operating and maintenance expenses	30,000,000
<b>NATIONAL DEFENSE</b>			
Military Shrine Services	Income derived from shrine fees, donations and other dues	To augment the appropriations for the rehabilitation, maintenance and development of shrine installations and facilities	1,000,000
Veterans Memorial Medical Center	Fees and charges paid by civilian pay patients, golf operations, disposed unserviceable VMHC properties and other miscellaneous income	To augment maintenance and other operating expenses and capital outlays	10,000,000
<b>SCIENCE AND TECHNOLOGY</b>			
Office of the Secretary, Attached agencies, regional offices including Autonomous Region in Muslim Mindanao	Sale of developed technologies, fabricated equipment and publications	To defray expenses for the fabrication of equipment, printing of publication, maintenance and upgrading of equipment, testing and calibration of facilities	20,000,000

## SOCIAL WELFARE AND DEVELOPMENT

Inter-Country Adoption Board	Fees, charges and assessment	To process applications for Inter-country adoption and to support the activities of the Inter-Country Adoption Board	5,000,000
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## TOURISM

National Parks Development Committee	Entrance fees, concession rentals and donations	Greening of parks, development and rehabilitation of park facilities and structures, acquisition of tools and equipment for regular operations, payment of overtime services for maintenance works and to augment the operating budget for maintenance and other operating requirements of parks	20,000,000
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## TRANSPORTATION AND COMMUNICATIONS

Maritime Industry Authority	Fees, charges, fines and penalties	To defray any deficiency in annual appropriations and finance authorized projects and operating requirements, including capital outlays, for the implementation of E.O. 125 and 125-A	90,000,000
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National Telecommunications Commission	Fines, penalties and surcharges	To strengthen regulatory, supervisory and enforcement functions; for maintenance, operations and inspection of telecommunications and broadcast facilities, for technical, economic legal research and study in the use of Radio Frequency Spectrum, travelling expenses and allowances of examiners and watchers in conducting radio operators examinations and for payment of any additional expenses for supplies and materials	5,000,000
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Various fees from telecommunications carriers	For the procurement of fixed and vehicle mounted mobile radio monitoring equipment, including support vehicles and other equipment facilities, augmentation of operating budget for maintenance and other operating expenses, including local counterpart funds.	200,000,000
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## NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY

National Statistics Office	Income realized from fees derived from the issuance and authentication of Civil Registry Documents such as birth, marriage and death certificates	To defray cost of printing of security papers, temporary manpower services, civil registry forms and materials, and office fixtures and equipment	25,000,000
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## OFFICE OF THE PRESS SECRETARY

National Printing Office	Income derived from printing operations	For the modernization of printing equipment	50,000,000
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## OTHER EXECUTIVE OFFICES

Commission on Higher Education	Tuition fees, school charges and other income, except those accruing to revolving funds under LOI Nos. 872 and 1026 and those authorized as trust receipts pursuant to Sec. 45, Chapter 5, Book VI of E.O. No. 292	Fifty percent (50%) of the income of Higher Education Institutions (HEIs) shall be used to augment maintenance and other operating expenses or capital outlays of which in applicable cases at least thirty percent (30%) shall be used for the production of rice, corn and vegetables in their areas while the remaining fifty percent (50%) shall be used for teacher student welfare and for augmentation of Personal Services appropriation except for salaries and for creation of new positions  Student welfare shall include but shall not be limited to allowances given to students who render services to the school while teacher welfare shall include but shall not be limited to authorized allowances and other fringe benefits, training and seminar expenses	18,453,000
Movie and Television Review and Classification Board	Fees, surcharges and fines	For purchase, repair and maintenance of equipment for reviewing, cutting and monitoring films; monitoring of theaters; and organizing local regulatory councils	10,000,000
National Computer Center	Information Technology (IT) Services, development and implementation of Information System (IS) and conduct of courses and seminars	To augment maintenance and other operating expenses and capital outlay	5,000,000
Palawan Council for Sustainable Development	Income derived from gate collections of the facilities, operations or management of the different protected areas under the Strategic Environmental Plan (SEP)	To finance projects under the SEP	300,000
Philippine Racing Commission	Receipts from sale of betting tickets	To defray additional operational and capital requirements of the Commission	10,000,000
Professional Regulations Commission	Income from examination, registration, annual registration fees and other services	Computerization project and for maintenance and other operating expenses including overtime pay and equipment outlay including the purchase of motor vehicles	40,000,000
Videogram Regulatory Board	Fees, surcharges and fines	To defray operational expenses of the Board	5,000,000
<b>THE JUDICIARY</b>			
Supreme Court of the Philippines and the Lower Courts	Docket fees and other legal fees	To augment the maintenance and other operating expenses of the Supreme Court and the Lower Courts	5,000,000
<b>CONSTITUTIONAL OFFICES</b>			
Commission on Audit	Sources authorized by the Government Auditing Code of the Philippines	To augment maintenance and other operating expenses to enhance audit services and audit-related activities	10,000,000



**OTHER GOVERNMENT AGENCIES**

Shares under R.A. Nos. 6631 and 6632; Insurance proceeds; proceeds from auction sales and net proceeds from the liquidation of assets of defunct agencies/GOCCs under E.O. 372

Based on actual collections

GENERAL SUMMARY  
UNPROGRAMMED FUND

<u>Current Operating Expenditures</u>				
	<u>Personal Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
A. Unprogrammed Fund	P 913,277,000	P 6,047,739,000	P19,493,795,000	P26,454,811,000
<b>Total New Appropriations, Unprogrammed Fund</b>	<b>P 913,277,000</b>	<b>P 6,047,739,000</b>	<b>P19,493,795,000</b>	<b>P26,454,811,000</b>