

H. PHILIPPINE AIR FORCE (AIR FORCE)

Appropriations/Obligations

(In Thousand Pesos)

<u>Description</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
New General Appropriations	<u>14,687,813</u>	<u>16,363,367</u>	<u>18,896,952</u>
General Fund	14,687,813	16,363,367	18,896,952
Automatic Appropriations	<u>22,510</u>	<u>20,969</u>	<u>27,203</u>
Retirement and Life Insurance Premiums	22,510	20,969	27,203
Continuing Appropriations		<u>1,474,153</u>	
Unobligated Releases for Capital Outlays R.A. No. 10651		804,607	
Unobligated Releases for MOOE R.A. No. 10651		669,546	
Budgetary Adjustment(s)	<u>2,023,604</u>		
Transfer(s) from:			
Contingent Fund	2,776		
Miscellaneous Personnel Benefits Fund	1,139,800		
Pension and Gratuity Fund	<u>881,028</u>		
Total Available Appropriations	16,733,927	17,858,489	18,924,155
Unused Appropriations	<u>(1,477,315)</u>	<u>(1,474,153)</u>	
Unobligated Allotment	<u>(1,477,315)</u>	<u>(1,474,153)</u>	
TOTAL OBLIGATIONS	<u>15,256,612</u> =====	<u>16,384,336</u> =====	<u>18,924,155</u> =====

No. / Code	GASS / STO / OPERATIONS / PROJECTS	EXPENDITURE PROGRAM (in pesos)		
		2015 Actual	2016 Current	2017 Proposed
000001000000000	General Administration and Support	2,921,590,000	1,381,169,000	1,445,040,000
	PS	2,489,168,000	894,032,000	985,250,000
	MOOE	432,422,000	446,456,000	459,790,000
	CO		40,681,000	
000002000000000	Support to Operations	1,910,734,000	2,204,352,000	2,740,624,000
	PS	1,655,236,000	1,941,499,000	2,432,281,000
	MOOE	255,498,000	262,853,000	308,343,000
000003000000000	Operations	10,424,288,000	12,788,815,000	14,738,491,000
	PS	5,255,137,000	5,554,148,000	6,231,714,000
	MOOE	5,117,243,000	5,901,027,000	7,939,299,000
	CO	51,908,000	1,333,640,000	567,478,000
	Projects		10,000,000	
	CO		10,000,000	
TOTAL AGENCY BUDGET		15,256,612,000	16,384,336,000	18,924,155,000
	PS	9,399,541,000	8,389,679,000	9,649,245,000
	MOOE	5,805,163,000	6,610,336,000	8,707,432,000
	CO	51,908,000	1,384,321,000	567,478,000

STAFFING SUMMARY

	2015	2016	2017
TOTAL STAFFING			
Civilian Personnel			
Total Number of Authorized Positions	1,827	1,827	1,827
Total Number of Filled Positions	1,022	1,063	1,063
Military			
Total Number of Authorized Positions	17,612	17,612	17,612
Total Number of Filled Positions	16,393	16,982	16,663

Proposed New Appropriations Language

For general administration and support, support to operations, and operations, as indicated hereunder.....P 18,896,952,000

OPERATIONS BY MFO	PROPOSED 2017			
	PS	MOOE	CO	TOTAL
MFO 1: TERRITORIAL DEFENSE, SECURITY AND STABILITY SERVICES	6,222,235,000	7,939,299,000	567,478,000	14,729,012,000

EXPENDITURE PROGRAM BY CENTRAL / REGIONAL ALLOCATION, 2017
(in pesos)

REGION	PS	MOOE	CO	TOTAL
Regional Allocation (net of Central Office):	9,622,042,000	8,707,432,000	567,478,000	18,896,952,000
National Capital Region (NCR)	9,622,042,000	8,707,432,000	567,478,000	18,896,952,000
TOTAL AGENCY BUDGET	9,622,042,000	8,707,432,000	567,478,000	18,896,952,000

SPECIAL PROVISION(S)

1. Hospital Income. In addition to the amounts appropriated herein, all income generated from the operations of the Philippine Air Force General Hospital shall be deposited in an authorized government depository bank and used to augment the hospital's MOOE and Capital Outlay requirements: PROVIDED, That at least twenty five percent (25%) of the said income shall be utilized to purchase and upgrade hospital equipment used directly in the delivery of health services.

In no case shall said amount be used for the payment of salaries, allowances and other benefits.

Disbursements or expenditures by the hospital in violation of the above requirements shall be void and shall subject the erring officials and employees to disciplinary actions in accordance with Section 43, Chapter 5 and Section 80, Chapter 7, Book VI of E.O. No. 292, and to appropriate criminal action under existing penal laws.

The Philippine Air Force shall prepare and submit to the DBM not later than November 15 of the preceding year, the annual operating budget for the current year covering said income and the corresponding expenditures. Likewise, it shall submit to the DBM not later than March 1 of the current year its audited financial statement for the immediately preceding year. The Commanding General of the Philippine Air Force and the Agency's web administrator or his/her equivalent shall be responsible for ensuring that the foregoing documents are likewise posted on the Philippine Air Force website.

2. Trust Receipts from the Use of Equipment and Facilities. Fees and charges from the use of equipment and facilities collected by the Philippine Air Force shall be used to augment its operating requirements in accordance with Section 1 of E.O. No. 1002, s. 1985. Said fees and charges shall be deposited with the National Treasury and recorded as trust receipts in accordance with E.O. No. 338, s. 1996.

The Philippine Air Force shall submit to the DBM, the Speaker of the House of Representatives and the President of the Senate of the Philippines, either in printed form or by way of electronic document, quarterly reports on the financial and physical accomplishments on the trust receipts transferred from authorized government depository bank to the National Treasury. The Commanding General of the Philippine Air Force and the Agency's web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are likewise posted on the Philippine Air Force website.

3. Combat Expenses. An amount not exceeding One Hundred Thousand Pesos (P100,000) per quarter for each Philippine Air Force squadron may be utilized by its tactical units for incidental and necessary expenses during operational exigencies. Such amount, chargeable against MOOE for combat expenses, shall be treated as cash advance subject to disbursement and liquidation in accordance with COA Circular Nos. 97-002 and 2004-006 dated February 10, 1997 and September 9, 2004, respectively.
4. Restriction on Armed Forces of the Philippines Expenditures. No amount appropriated herein shall be used to fund expenditures of military personnel in excess of those authorized and required based on the actual troop strength of the Philippine Air Force.
5. Appropriations for Programs and Specific Activities. The amounts appropriated herein for the programs of the agency shall be used specifically for the following activities in the indicated amounts and conditions:

New Appropriations, by Programs/Activities/Projects

		<u>Current Operating Expenditures</u>			
		<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
PROGRAMS					
0000010000000000	General Administration and Support	972,525,000	459,790,000		1,432,315,000
103001000100000	General management and supervision	P 474,295,000	P 459,790,000		P 934,085,000
103001000200000	Administration of Personnel Benefits	498,230,000			498,230,000
Sub-total, General Administration and Support		972,525,000	459,790,000		1,432,315,000
0000020000000000	Support to Operations	2,427,282,000	308,343,000		2,735,625,000
121002000100000	Force-Level Support Services	2,427,282,000	308,343,000		2,735,625,000
Sub-total, Support to Operations		2,427,282,000	308,343,000		2,735,625,000
0000030000000000	Operations	6,222,235,000	7,939,299,000	567,478,000	14,729,012,000
0000030100000000	MFO 1: TERRITORIAL DEFENSE, SECURITY AND STABILITY SERVICES	6,222,235,000	7,939,299,000	567,478,000	14,729,012,000
121003010100000	Force Development	3,097,933,000	3,807,050,000	89,313,000	6,994,296,000
121003010200000	Force Sustainment	3,124,302,000	4,132,249,000	478,165,000	7,734,716,000
Sub-total, Operations		6,222,235,000	7,939,299,000	567,478,000	14,729,012,000
TOTAL NEW APPROPRIATIONS		P 9,622,042,000	P 8,707,432,000	P 567,478,000	P 18,896,952,000

Obligations, by Object of Expenditures

CYs 2015-2017
(In Thousand Pesos)

	<u>2015</u>	<u>2016</u>	<u>2017</u>
Current Operating Expenditures			
Personnel Services			
Civilian Personnel			
Permanent Positions			
Basic Salary	188,839	174,746	226,692
Total Permanent Positions	188,839	174,746	226,692
Other Compensation Common to All			
Personnel Economic Relief Allowance	21,722	22,536	25,512
Representation Allowance	180	60	120
Transportation Allowance	180	60	120
Clothing and Uniform Allowance	4,970	4,695	5,315
Productivity Incentive Allowance	1,726		
Mid-Year Bonus - Civilian			18,891

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Year End Bonus	15,197	14,563	18,891
Cash Gift	4,773	4,695	5,315
Step Increment		1,131	2,132
Productivity Enhancement Incentive	15,813	4,695	5,315
Performance Based Bonus	7,651		
Total Other Compensation Common to All	72,212	52,435	81,611
Other Compensation for Specific Groups			
Magna Carta for Public Health Workers	23,710	15,036	26,312
Longevity Pay	2,960	3,305	3,305
Other Personnel Benefits	97,738		
Anniversary Bonus - Civilian			3,189
Total Other Compensation for Specific Groups	124,408	18,341	32,806
Other Benefits			
Retirement and Life Insurance Premiums	22,124	20,969	27,203
PAG-IBIG Contributions	1,415	1,127	1,276
PhilHealth Contributions	1,890	2,036	2,524
Employees Compensation Insurance Premiums	1,159	1,121	1,276
Retirement Gratuity	4,043	14,773	15,728
Terminal Leave	13,500	5,624	6,929
Total Other Benefits	44,131	45,650	54,936
Military/Uniformed Personnel			
Basic Pay			
Base Pay	4,006,599	3,999,831	3,981,896
Total Basic Pay	4,006,599	3,999,831	3,981,896
Other Compensation Common to All			
Personnel Economic Relief Allowance	395,128	407,568	399,912
Clothing/ Uniform Allowance	190,687	188,394	229,431
Subsistence Allowance	941,056	929,766	912,300
Laundry Allowance	7,334	6,844	6,778
Quarters Allowance	91,050	91,298	92,415
Productivity Incentive Allowance	31,468		
Longevity Pay	828,028	834,954	824,466
Mid-Year Bonus - Military/Uniformed Personnel			331,825
Officers' Allowance - Military/Uniformed Personnel			70,542
Provisional Allowance - Military/Uniformed Personnel			569,498
Year-end Bonus	329,017	333,319	331,825
Cash Gift	83,611	84,910	83,315
Productivity Enhancement Incentive	332,073	84,910	83,315
Performance Based Bonus	124,936		
Total Other Compensation Common to All	3,354,388	2,961,963	3,935,622
Other Compensation for Specific Groups			
Hazardous Duty Pay	104,536	91,517	100,879
Hazard Duty Pay	51,058	48,908	107,977
Flying Pay	369,870	370,518	405,757
Hardship Allowance	11,793	6,190	9,868
Combat Duty Pay	33,549	33,744	33,744
Instructor's Duty Pay	34,053	33,675	33,675
Reservist's Pay	38,518	28,584	28,584
Medal of Valor Award	600	1,200	1,200
Hospitalization Expenses	7,879		
Specialist's Pay	2,571	153	153
Parachutist Pay	3,119	3,726	3,726
Anniversary Bonus - Military/Uniformed Personnel			49,989
Lump-sum for Filling of Positions - Military/Uniformed Personnel (MUP)		225,536	326,165
Total Other Compensation for Specific Groups	657,546	843,751	1,101,717

Other Benefits			
Special Group Term Insurance	1,235	1,223	1,199
PAG-IBIG Contributions	19,733	20,378	19,996
PhilHealth Contributions	46,962	45,405	44,932
Employees Compensation Insurance Premiums	20,003	20,378	19,996
Retirement Gratuity	12,889		
Terminal Leave	850,596	205,578	147,842
Total Other Benefits	<u>951,418</u>	<u>292,962</u>	<u>233,965</u>
TOTAL PERSONNEL SERVICES	<u>9,399,541</u>	<u>8,389,679</u>	<u>9,649,245</u>
Maintenance and Other Operating Expenses			
Travelling Expenses	172,093	249,518	257,003
Training and Scholarship Expenses	66,073	83,358	85,859
Supplies and Materials Expenses	1,564,860	2,048,480	2,849,173
Utility Expenses	339,099	344,351	354,681
Communication Expenses	40,705	40,206	41,413
Awards/Rewards and Prizes	1,550	1,550	1,550
Confidential, Intelligence and Extraordinary Expenses			
Extraordinary and Miscellaneous Expenses	3,985		
Intelligence Expenses	17,000	17,000	17,000
Professional Services	7,830	5,662	5,662
General Services	7,282	13,821	13,741
Repairs and Maintenance	3,379,510	3,582,658	4,724,474
Financial Assistance/Subsidy			129,972
Taxes, Insurance Premiums and Other Fees	18,752	19,166	19,166
Other Maintenance and Operating Expenses			
Advertising Expenses	825	1,597	1,645
Printing and Publication Expenses	7,653	5,727	5,899
Representation Expenses	163,086	177,861	183,197
Transportation and Delivery Expenses	9,293	9,571	9,858
Rent/Lease Expenses	2,171	2,171	2,171
Membership Dues and Contributions to Organizations	69	45	45
Subscription Expenses	3,327	3,420	3,420
Donations		1,500	1,500
Other Maintenance and Operating Expenses		2,674	3
TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES	<u>5,805,163</u>	<u>6,610,336</u>	<u>8,707,432</u>
TOTAL CURRENT OPERATING EXPENDITURES	<u>15,204,704</u>	<u>15,000,015</u>	<u>18,356,677</u>
Capital Outlays			
Property, Plant and Equipment Outlay			
Land Outlay			80,100
Infrastructure Outlay		237,834	152,250
Buildings and Other Structures		266,603	266,445
Machinery and Equipment Outlay	49,908	629,484	29,069
Transportation Equipment Outlay		250,400	38,823
Furniture, Fixtures and Books Outlay	2,000		
Other Property Plant and Equipment Outlay			791
TOTAL CAPITAL OUTLAYS	<u>51,908</u>	<u>1,384,321</u>	<u>567,478</u>
GRAND TOTAL	<u>15,256,612</u>	<u>16,384,336</u>	<u>18,924,155</u>

STRATEGIC OBJECTIVES

SECTOR OUTCOME : Stable national security environment achieved

ORGANIZATIONAL
OUTCOME : Level of mission capability of Air Force Units in Air Operations attained

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PERFORMANCE INFORMATION

KEY STRATEGIES :

Increasing PAF readiness to achieve the Command thrusts of POWER-UP PAF consistent with the Defense Planning Guidance 2014-2019

ORGANIZATIONAL OUTCOMES (Oos) / PERFORMANCE INDICATORS (PIs)

Baseline

2017 Targets

Level of mission capability of Air Force Units in Air Operations attained

Percentage of Air Force Units Provided to Unified Commands

85%

MFO / PIs

2017 Targets

MFO 1: TERRITORIAL DEFENSE, SECURITY AND STABILITY SERVICES

Number of Supportable Aircraft Maintained

154

Aircraft Maintenance Readiness Rate

70%

% Accomplishment of 1-hour Response to Flight-directed Mission

90%