

## B. GOVERNMENT ARSENAL

Appropriations/Obligations

(In Thousand Pesos)

<u>Description</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
New General Appropriations	<u>1,076,164</u>	<u>1,219,362</u>	<u>1,216,188</u>
General Fund	1,076,164	1,219,362	1,216,188
Automatic Appropriations	<u>207,971</u>	<u>15,121</u>	<u>15,811</u>
Customs Duties and Taxes, including Tax Expenditures	193,559		
Retirement and Life Insurance Premiums	14,412	15,121	15,811
Continuing Appropriations	<u>34,200</u>	<u>75,918</u>	
Unobligated Releases for Capital Outlays			
R.A. No. 10651	6,383		
R.A. No. 10717		10,201	
Unobligated Releases for MOOE			
R.A. No. 10651	27,817		
R.A. No. 10717		65,717	

Budgetary Adjustment(s)	<u>34,014</u>		
Transfer(s) from:			
Miscellaneous Personnel Benefits Fund	31,670		
Pension and Gratuity Fund	<u>2,344</u>		
Total Available Appropriations	1,352,349	1,310,401	1,231,999
Unused Appropriations	( 83,204)	( 75,918)	
Unreleased Appropriation	( 978)		
Unobligated Allotment	<u>( 82,226)</u>	<u>( 75,918)</u>	
TOTAL OBLIGATIONS	<u>1,269,145</u>	<u>1,234,483</u>	<u>1,231,999</u>
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EXPENDITURE PROGRAM  
(in pesos)

GAS / STO / OPERATIONS / PROJECTS	<u>2016 Actual</u>	<u>2017 Current</u>	<u>2018 Proposed</u>
General Administration and Support	<u>125,863,000</u>	<u>109,966,000</u>	<u>119,048,000</u>
Regular	<u>125,863,000</u>	<u>109,966,000</u>	<u>119,048,000</u>
PS	92,579,000	70,392,000	78,361,000
MOOE	33,284,000	39,574,000	40,687,000
Operations	<u>1,143,282,000</u>	<u>1,124,517,000</u>	<u>1,112,951,000</u>
Regular	<u>1,143,282,000</u>	<u>1,124,517,000</u>	<u>1,112,951,000</u>
PS	162,887,000	175,834,000	179,842,000
MOOE	935,214,000	895,683,000	933,109,000
CO	45,181,000	53,000,000	
TOTAL AGENCY BUDGET	<u>1,269,145,000</u>	<u>1,234,483,000</u>	<u>1,231,999,000</u>
Regular	<u>1,269,145,000</u>	<u>1,234,483,000</u>	<u>1,231,999,000</u>
PS	255,466,000	246,226,000	258,203,000
MOOE	968,498,000	935,257,000	973,796,000
CO	45,181,000	53,000,000	

STAFFING SUMMARY

	<u>2016</u>	<u>2017</u>	<u>2018</u>
TOTAL STAFFING			
Total Number of Authorized Positions	687	687	687
Total Number of Filled Positions	613	609	609

Proposed New Appropriations Language

For general administration and support, and operations, as indicated hereunder.....P 1,216,188,000  
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OPERATIONS BY PROGRAM	PROPOSED 2018			
	PS	MOOE	CO	TOTAL
SMALL ARMS AMMUNITION, WEAPONS, AND MUNITIONS PROGRAM	168,208,000	933,109,000		1,101,317,000

EXPENDITURE PROGRAM BY CENTRAL / REGIONAL ALLDCATION, 2018  
(in pesos)

REGION	PS	MOOE	CO	TOTAL
Regional Allocation	242,392,000	973,796,000		1,216,188,000
Region III - Central Luzon	242,392,000	973,796,000		1,216,188,000
TOTAL AGENCY BUDGET	242,392,000	973,796,000		1,216,188,000

SPECIAL PROVISION(S)

- Hospital Income. In addition to the amounts appropriated herein, all income generated from the operations of the Government Arsenal (GA) infirmary shall be deposited in an authorized government depository bank and used to augment the infirmary's MOOE and Capital Outlay requirements, subject to the following conditions: (i) at least twenty-five percent (25%) of said income shall be utilized to purchase and upgrade hospital equipment used directly in the delivery of health services; and (ii) income sourced from PhilHealth reimbursements from availment of medical services shall be used exclusively by said hospitals for the improvement of its facilities, and the replenishment of drugs, medicines and vaccines, including medical and dental supplies used in government health care facilities.

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, s. 1987, and to appropriate criminal action under existing penal laws.

The GA 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 Director of GA and the Agency's web administrator or his/her equivalent shall be responsible for ensuring that the foregoing documents are likewise posted on the GA website.

- Authority to Barter and Sell Scrap Items. The Director of GA, upon approval of the Secretary of National Defense, may barter or sell scrap items in accordance with E.O. No. 888, s. 1983, as amended. The barter and sale of scrap items shall be subject to the COA rules on the disposal of government properties and sale through public auction. The items acquired from barter shall be recorded or booked-up as government property while proceeds from the sale shall accrue to the Revised AFP Modernization Act Trust Fund pursuant to Section 6 of R.A. No. 10349.
- 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

PROGRAMS	Current Operating Expenditures			
	Personnel Services	Maintenance and Other Operating Expenses	Capital Outlays	Total
1000000000000000 General Administration and Support	74,184,000	40,687,000		114,871,000
100000100001000 General management and supervision	59,468,000	40,687,000		100,155,000



Employees Compensation Insurance Premiums	739	747	731
Retirement Gratuity	821		1,820
Loyalty Award - Civilian			675
Terminal Leave	5,935	12,103	12,896
<b>Total Other Benefits</b>	<b>23,995</b>	<b>30,126</b>	<b>34,147</b>
<b>TOTAL PERSONNEL SERVICES</b>	<b>255,466</b>	<b>246,226</b>	<b>258,203</b>
<b>Maintenance and Other Operating Expenses</b>			
Travelling Expenses	7,127	6,592	6,790
Training and Scholarship Expenses	3,857	4,584	4,721
Supplies and Materials Expenses	600,027	829,948	854,847
Utility Expenses	18,478	42,377	38,192
Communication Expenses	2,245	1,736	1,788
Confidential, Intelligence and Extraordinary Expenses			
Extraordinary and Miscellaneous Expenses	105	130	130
Professional Services	4,205	10,505	4,205
General Services	57,847	20,794	27,762
Repairs and Maintenance	35,073	14,339	31,049
Taxes, Insurance Premiums and Other Fees	194,864	2,087	2,087
Other Maintenance and Operating Expenses			
Advertising Expenses	263	309	318
Printing and Publication Expenses		66	68
Representation Expenses	958	628	647
Transportation and Delivery Expenses	30	976	1,006
Subscription Expenses	143	186	186
Other Maintenance and Operating Expenses	43,276		
<b>TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES</b>	<b>968,498</b>	<b>935,257</b>	<b>973,796</b>
<b>TOTAL CURRENT OPERATING EXPENDITURES</b>	<b>1,223,964</b>	<b>1,181,483</b>	<b>1,231,999</b>
<b>Capital Outlays</b>			
Property, Plant and Equipment Outlay			
Buildings and Other Structures	5,662		
Machinery and Equipment Outlay	39,519	53,000	
<b>TOTAL CAPITAL OUTLAYS</b>	<b>45,181</b>	<b>53,000</b>	
<b>GRAND TOTAL</b>	<b>1,269,145</b>	<b>1,234,483</b>	<b>1,231,999</b>

## STRATEGIC OBJECTIVES

SECTOR OUTCOME : Security, public order, and safety ensured

ORGANIZATIONAL OUTCOME : Supply of Small Arms, Ammunition, Weapons, and Munitions Increased to the Level of Demand

## PERFORMANCE INFORMATION

ORGANIZATIONAL OUTCOMES (00s) / PERFORMANCE INDICATORS (PIs)	2016 Actual	2017 Targets
Supply of Small Arms, Ammunition, Weapons, and Munitions Increased to the Level of Demand		
Percentage of Small Arms Ammunition requirement supplied (at 2 basic load)	112.34%	116.25%

## 498 EXPENDITURE PROGRAM FY 2018 VOLUME II

<u>MFO / Performance Indicators</u>	<u>2016 Targets</u>	<u>2016 Actual</u>	<u>2017 GAA Targets</u>
<b>MFO 1: MANUFACTURE OF SMALL ARMS AMMUNITION</b>			
Number of small arms ammunition (SAA) manufactured	35.0 M Rounds	36.367 M Rounds	40.0 M Rounds
Percent supportability to AFP SAA requirements (combat requirements)	108.12%	112.34%	116.25%
Percentage acceptance based on standards	98.00%	98.00%	98.00%
<u>ORGANIZATIONAL OUTCOMES (OOs) / PERFORMANCE INDICATORS (PIs)</u>	<u>Baseline</u>	<u>2018 Targets</u>	
Supply of Small Arms, Ammunition, Weapons, and Munitions Increased to the Level of Demand			
<b>SMALL ARMS AMMUNITION, WEAPONS, AND MUNITIONS PROGRAM</b>			
Outcome Indicator			
1. Percentage of supportability to AFP Small Arms Ammunition (SAA) requirements for two (2) basic loads (combat requirements)	112.34%	116.25%	
Output Indicators			
1. Number of small arms ammunitions (SAA) manufactured	36.367 M Rounds	40.00 M Rounds	
2. Percentage acceptance based on standards	98.00%	98.00%	