

I. NATIONAL ELECTRIFICATION ADMINISTRATION

SOURCES AND USES OF FUNDS BY EXPENSE CLASS, FY 2016
(In Thousand Pesos)
SUMMARY

<u>Current Operating Expenditures</u>					
	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Financial Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
A. PROGRAM/ACTIVITY/PROJECT					
1. General Administration and Support	P 81,869	P 108,792		P 20,337	P 210,998
2. Support to Operations	105,260	139,876		26,148	271,284
3. Operations	105,260	139,876	3,816	26,148	275,100
4. Locally-Funded Projects		2,476,984		2,800,000	5,276,984
a. Rural Electrification		1,817,384		2,800,000	4,617,384
b. Electrification of the MHA Yolanda Permanent Housing Sites		659,600			659,600
5. Debt Servicing		62,784			62,784
a. Loan Repayment		62,784			62,784
TOTAL	P 292,389	P 2,928,312	P 3,816	P 2,872,633	P 6,097,150

I. NATIONAL ELECTRIFICATION ADMINISTRATION

SOURCES AND USES OF FUNDS BY EXPENSE CLASS, FY 2016
(In Thousand Pesos)
NATIONAL GOVERNMENT EQUITY AND/OR SUBSIDY

Schedule I

<u>Current Operating Expenditures</u>					
	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Financial Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
A. PROGRAM/ACTIVITY/PROJECT					
1. Locally-Funded Projects		P 2,476,984			P 2,476,984
a. Rural Electrification		1,817,384			1,817,384
b. Electrification of the MHA Yolanda Permanent Housing Sites		659,600			659,600
TOTAL		P 2,476,984			P 2,476,984

I. NATIONAL ELECTRIFICATION ADMINISTRATION

SOURCES AND USES OF FUNDS BY EXPENSE CLASS, FY 2016
(In Thousand Pesos)
CORPORATE FUNDS

Schedule II

	<u>Current Operating Expenditures</u>				
	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Financial Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
A. PROGRAM/ACTIVITY/PROJECT					
1. General Administration and Support	P 81,869 P	108,792 P		P 20,337 P	210,998
2. Support to Operations	105,260	139,876		26,148	271,284
3. Operations	105,260	139,876	3,816	26,148	275,100
4. Locally-Funded Projects				2,800,000	2,800,000
a. Rural Electrification				2,800,000	2,800,000
5. Debt Servicing		62,784			62,784
a. Loan Repayment		62,784			62,784
TOTAL	P 292,389 P	451,328 P	3,816 P	2,872,633 P	3,620,166

Special Provision(s)

1. Approval of the FY 2016 Corporate Operating Budget of the National Electrification Administration under R.A. No. 7638. The FY 2016 Corporate Operating Budget (COB) of the NEA is hereby approved by the Congress of the Philippines pursuant to Section 13, Chapter III of R.A. No. 7638.

2. Acquisition of Equipment. The acquisition of equipment included in the approved COB shall be subject to the provisions of Corporate Budget Circular No. 17 dated February 9, 1996, National Budget Circular (NBC) No. 446 dated November 24, 1995, as amended by NBC No. 446-A dated January 30, 1998, Budget Circular No. 2010-2 dated March 1, 2010 and other guidelines issued thereon.

3. Payment of Compensation and Benefits. Payment of salaries, allowances and other benefits shall be made in accordance with applicable provisions of laws, rules and regulations such as, but not limited to, P.D. No. 985, as amended, R.A. No. 6758, as amended, R.A. No. 10149, Corporate Compensation Circular No. 10 dated February 15, 1999 and Memorandum Order No. 20, s. 2001. In addition, payment of separation or retirement benefits shall be computed in accordance with the rates, conditions and procedure prescribed under existing separation or retirement laws and guidelines issued thereon.

4. Budget Flexibility and Report. The NEA Board of Administrators is authorized to realign programs and projects, reallocate the corresponding budgetary requirements approved herein, as well as augment the deficiencies which may arise from factors beyond the NEA's control such as, but not be limited to: (i) currency depreciation; (ii) inflation; (iii) change in interest rates; (iv) change in programs and/or projects; and (v) change in schedule of project implementation.

In the exercise of said authority, the NEA shall observe and/or comply with the following:

(a) Realigned funds shall not be used for the acquisition of motor vehicles and payment of travelling, representation, discretionary, or extraordinary and miscellaneous expenses;

(b) Personnel Services (PS) deficiencies resulting from the implementation of the Compensation and Position Classification System for GOCCs approved by the President, upon recommendation by the GCG, shall be sourced from savings in MOBE and Capital Outlays; and

(c) PS allocation in the approved COB shall not be augmented by new funding sources.

The NEA shall submit, within thirty (30) days after such adjustments are made, to the DBM, the House Committee on Appropriations and Senate Committee on Finance, either in printed form or by way of electronic document, a comprehensive financial and narrative report on the budgetary adjustments. The Administrator of NEA and the Administration's web administrator or his/her equivalent shall be responsible for ensuring that said report is likewise posted on the NEA website.

5. **Augmentation Beyond the Approved Corporate Operating Budget.** The NEA Board of Administrators is authorized to augment and disburse funds beyond the total amount approved in this Act exclusively for the continuous implementation of the Sitio Electrification and Barangay Line Enhancement Projects. The funds shall come from the unutilized balances of previous years' subsidy by the National Government or from new funding sources as certified by the Chief Accountant and Administrator of NEA.

In no case shall PS allocations be augmented beyond the total amount approved in this Act.

6. **Remittance of Cash Dividends.** Cash dividends equivalent to at least fifty percent (50%) of the annual net earnings of the NEA shall be deposited with the National Treasury as income of the General Fund pursuant to R.A. No. 7656.

7. **Audit of Government Funds.** Government funds authorized herein to be invested as equity by the corporation to its subsidiaries, as well as the grant of subsidy, loan contribution or any kind of financial assistance to end-user entities both in private or public sector, shall be subject to audit by the COA pursuant to the provisions of P.D. No. 1445, as amended.

8. **Transparency Seal.** To enhance transparency and enforce accountability, the NEA shall maintain a Transparency Seal to be posted on its website. The Transparency Seal shall contain the following: (i) corporation's mandates and functions, names of its officials with their position and designation, and its contact information; (ii) approved COB and corresponding targets including any amount of budgetary support from the National Government; (iii) realignments made in its COB; (iv) annual procurement plan/s and contracts awarded with the winning supplier, contractor or consultant; (v) major programs and projects categorized in accordance with the five key results areas under E.O. No. 43, s. 2011 and their target beneficiaries; (vi) status of implementation, evaluation and/or assessment reports of said programs or projects; (vii) Budget and Financial Accountability Reports, pursuant to COA and DBM J.C. No. 2014-1 dated July 1, 2014; and (viii) year-end financial reports and trial balances for the last three (3) fiscal years.

The Administrator of NEA and the Administration's web administrator or his/her equivalent shall be responsible for ensuring compliance with this requirement.

The DBM shall post on its website the status of compliance of the NEA.