

G.2. PHILIPPINE AIR FORCE (AIR FORCES)

For general administration and support, and operations, as indicated hereunder P 35,568,675,000

New Appropriations, by Programs/Projects

<u>Current Operating Expenditures</u>			
<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>

A. REGULAR PROGRAMS

General Administration and Support	P	1,459,216,000	P	569,865,000	P	2,029,081,000
Operations		<u>15,108,833,000</u>		<u>18,018,915,000</u>		<u>33,539,594,000</u>
AIR FORCES DEFENSE PROGRAM		<u>15,108,833,000</u>		<u>18,018,915,000</u>		<u>33,539,594,000</u>
TOTAL NEW APPROPRIATIONS	P	<u>16,568,049,000</u>	P	<u>18,588,780,000</u>	P	<u>35,568,675,000</u>

Special Provision(s)

1. **Hospital Income and Other Revenues from Golf Course Operations.** 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, 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 hospital 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.

Likewise, all revenues derived from the Philippine Air Force Golf Club membership dues, green fees, concession fees, and such other income from business-related operations of the golf course shall be deposited in an authorized government depository bank and shall be used to cover the expenses incurred in its operations. Any excess income from operations of the golf course may be used to augment the MOOE and Capital Outlay requirements of Philippine Air Force General Hospital and other Philippine Air Force treatment facilities, subject to the guidelines issued by the DBM and the DND.

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 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's 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 amount shall be deposited with the National Treasury and recorded as trust receipts in accordance with E.O. No. 338, s. 1996.

3. **Combat Expenses.** An amount not exceeding Two Hundred Thousand Pesos (P200,000) 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. **Rice Subsidy.** The amount of One Hundred Sixty Nine Million Seven Hundred Five Thousand Pesos (P169,705,000) appropriated herein shall be used for the provision of rice subsidy, equivalent to twenty (20) kilos of rice a month, in the form of financial assistance to the military personnel of the Philippine Air Force.

6. **Restriction on Use of Funds Allotted for Petroleum, Oil and Lubricants.** The amounts appropriated herein for the purchase or acquisition of petroleum, oil and lubricants for the Philippine Air Force shall be used exclusively for said purposes.

7. **Reimbursement of Expenses Incurred in Anti-Smuggling and Economic Subversion Operations.** Expenses incurred by the Philippine Air Force in anti-smuggling, economic subversion or similar operations may be reimbursed out of the proceeds from the sale of items seized or confiscated by the Philippine Air Force upon recommendation of the Secretary of National Defense and approval by the President of the Philippines, subject to the submission of a Special Budget pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292, and budgeting, accounting and auditing rules and regulations.

8. **Reporting and Posting Requirements.** The Philippine Air Force shall submit quarterly reports on its financial and physical accomplishments, within thirty (30) days after the end of every quarter, through the following:

- URS or other electronic means for reports not covered by the URS; and
- Philippine Air Force's website.

The Philippine Air Force shall send written notice when said reports have been submitted or posted on its website to the DBM, House of Representatives, Senate of the Philippines, House Committee on Appropriations, Senate Committee on Finance, and other offices where the submission of reports is required under existing laws, rules and regulations. The date of notice to said agencies shall be considered the date of compliance with this requirement.

9. **Appropriations for Activities or Projects.** The amounts appropriated herein shall be used specifically for the following activities or projects 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>
REGULAR PROGRAMS				
General Administration and Support				
General management and supervision	P 634,240,000	P 569,865,000	P	P 1,204,105,000
Administration of Personnel Benefits	824,976,000			824,976,000
Sub-total, General Administration and Support	<u>1,459,216,000</u>	<u>569,865,000</u>		<u>2,029,081,000</u>
Operations				
AIR FORCES DEFENSE PROGRAM	<u>15,108,833,000</u>	<u>18,018,915,000</u>	<u>411,846,000</u>	<u>33,539,594,000</u>
Force-Level Support Services	2,831,356,000	307,062,000		3,138,418,000
Force Development	5,464,100,000	10,598,691,000	41,873,000	16,104,664,000
Force Sustainment	<u>6,813,377,000</u>	<u>7,113,162,000</u>	<u>369,973,000</u>	<u>14,296,512,000</u>
Sub-total, Operations	<u>15,108,833,000</u>	<u>18,018,915,000</u>	<u>411,846,000</u>	<u>33,539,594,000</u>
TOTAL NEW APPROPRIATIONS	<u>P 16,568,049,000</u>	<u>P 18,588,780,000</u>	<u>P 411,846,000</u>	<u>P 35,568,675,000</u>

New Appropriations, by Object of Expenditures
(In Thousand Pesos)

Current Operating Expenditures

Personnel Services

Civilian Personnel

Permanent Positions

Basic Salary	<u>375,563</u>
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Total Permanent Positions	<u>375,563</u>
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Other Compensation Common to All

Personnel Economic Relief Allowance	29,640
Representation Allowance	240
Transportation Allowance	240
Clothing and Uniform Allowance	7,410
Mid-Year Bonus - Civilian	31,296
Year End Bonus	31,296
Cash Gift	6,175
Productivity Enhancement Incentive	6,175
Step Increment	<u>939</u>

Total Other Compensation Common to All	<u>113,411</u>
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Other Compensation for Specific Groups

Magna Carta for Public Health Workers	35,832
Longevity Pay	3,908
Lump-sum for filling of Positions - Civilian	21,638
Total Other Compensation for Specific Groups	61,378

Other Benefits

PAG-IBIG Contributions	1,482
PhilHealth Contributions	8,451
Employees Compensation Insurance Premiums	1,482
Loyalty Award - Civilian	1,065
Terminal Leave	8,537
Total Other Benefits	21,017

Military/Uniformed Personnel

Basic Pay

Base Pay	8,207,526
Creation of New Positions	255,632
Total Basic Pay	8,463,158

Other Compensation Common to All

Personnel Economic Relief Allowance	484,344
Clothing/Uniform Allowance	257,829
Subsistence Allowance	1,104,911
Laundry Allowance	8,286
Quarters Allowance	104,811
Longevity Pay	1,624,609
Mid-Year Bonus - Military/Uniformed Personnel	683,962
Year-end Bonus	683,962
Cash Gift	100,905
Productivity Enhancement Incentive	100,905
Total Other Compensation Common to All	5,154,524

Other Compensation for Specific Groups

Hazardous Duty Pay	260,976
Flying Pay	724,738
Hazard Duty Pay	130,774
Hardship Allowance	23,113
Combat Duty Pay	311,364
Instructor's Duty Pay	69,854
Reservist's Pay	60,163
Medal of Valor Award	1,800
Specialist's Pay	2,603
Parachutist Pay	19,952
Lump-sum for filling of Positions - Military/Uniformed Personnel (MUP)	396,896
Total Other Compensation for Specific Groups	2,002,233

Other Benefits	
Special Group Term Insurance	1,454
PAG-IBIG Contributions	24,219
PhilHealth Contributions	184,600
Employees Compensation Insurance Premiums	24,219
Terminal Leave	142,273
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Total Other Benefits	376,765
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Total Personnel Services	16,568,049
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Maintenance and Other Operating Expenses	
Travelling Expenses	382,073
Training and Scholarship Expenses	199,158
Supplies and Materials Expenses	5,488,407
Utility Expenses	439,306
Communication Expenses	59,582
Awards/Rewards and Prizes	1,644
Confidential, Intelligence and Extraordinary Expenses	
Intelligence Expenses	17,000
Professional Services	11,325
General Services	4,785
Repairs and Maintenance	11,259,820
Financial Assistance/Subsidy	175,057
Taxes, Insurance Premiums and Other Fees	22,363
Other Maintenance and Operating Expenses	
Advertising Expenses	2,409
Printing and Publication Expenses	3,177
Representation Expenses	324,004
Transportation and Delivery Expenses	10,379
Rent/Lease Expenses	43,420
Membership Dues and Contributions to Organizations	87
Subscription Expenses	143,184
Donations	1,600
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Total Maintenance and Other Operating Expenses	18,588,780
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Total Current Operating Expenditures	35,156,829
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Capital Outlays	
Property, Plant and Equipment Outlay	
Infrastructure Outlay	7,895
Buildings and Other Structures	60,000
Machinery and Equipment Outlay	92,916
Transportation Equipment Outlay	251,035
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Total Capital Outlays	411,846
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TOTAL NEW APPROPRIATIONS	35,568,675
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