

## G. ARMED FORCES OF THE PHILIPPINES

## G.1. PHILIPPINE ARMY ( LAND FORCES )

For general administration and support, and operations, as indicated hereunder..... P 123,186,120,000  
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New Appropriations, by Programs/Projects  
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		Current Operating Expenditures			
		Personnel Services	Maintenance and Other Operating Expenses	Capital Outlays	Total
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A. REGULAR PROGRAMS					
1000000000000000	General Administration and Support	P 10,394,920,000	P 1,224,848,000	P	P 11,619,768,000
3000000000000000	Operations	84,308,582,000	18,019,940,000	9,237,830,000	111,566,352,000
	LAND FORCES DEFENSE PROGRAM	84,308,582,000	18,019,940,000	9,237,830,000	111,566,352,000
	TOTAL NEW APPROPRIATIONS	P 94,703,502,000	P 19,244,788,000	P 9,237,830,000	P 123,186,120,000
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## 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 Army 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 Army 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 the operations for the golf course may be used to augment the MOOE and Capital Outlay requirements of Philippine Army General Hospital and other Philippine Army 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 Army 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 Army 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 Army'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 Army 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. Compensation and Separation Benefits of the Citizen Armed Forces Geographical Units. The amount of Three Billion Eight Hundred Eighty Eight Million Two Hundred Thirty Six Thousand Pesos (P3,888,236,000) shall be used for the payment of compensation of Citizen Armed Forces Geographical Unit (CAFGU) members and separation benefits, not exceeding one (1) year subsistence allowance in accordance with the IRR of E.O. No. 264, s. 1987 and DND Circular No. 4 dated October 27, 2005.

4. Combat Expenses. An amount not exceeding Two Hundred Thousand Pesos (P200,000) per quarter for each company of the Philippine Army 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.

5. 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 Army.

6. Rice Subsidy. The amount of Eight Hundred Ninety Three Million Six Hundred Ninety Three Thousand Pesos (P893,693,000) 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 Army.

7. 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 Army shall be used exclusively for said purposes.

8. Reimbursement of Expenses Incurred in Anti-smuggling and Economic Subversion Operations. Expenses incurred by the Philippine Army 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 Army 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.

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

- (a) URS or other electronic means for reports not covered by the URS; and
- (b) Philippine Army's website.

The Philippine Army 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.

10. 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

		Current Operating Expenditures		
		Personnel Services	Maintenance and Other Operating Expenses	Capital Outlays
				Total
REGULAR PROGRAMS				
1000000000000000	General Administration and Support			
100000100001000	General management and supervision	P 8,471,029,000	P 1,224,848,000	P 9,695,877,000
100000100002000	Administration of Personnel Benefits	1,923,891,000		1,923,891,000
Sub-total, General Administration and Support		10,394,920,000	1,224,848,000	11,619,768,000

3000000000000000	Operations				
3101000000000000	LAND FORCES DEFENSE PROGRAM	84,308,582,000	18,019,940,000	9,237,830,000	111,566,352,000
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310100100001000	Force-Level Support Services	4,140,312,000	758,311,000	159,998,000	5,058,621,000
310100100002000	Force Development		1,234,525,000		1,234,525,000
310100100003000	Force Sustainment	80,168,270,000	16,027,104,000	9,077,832,000	105,273,206,000
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Sub-total, Operations		84,308,582,000	18,019,940,000	9,237,830,000	111,566,352,000
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TOTAL NEW APPROPRIATIONS		P 94,703,502,000	P 19,244,788,000	P 9,237,830,000	P 123,186,120,000
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## New Appropriations, by Object of Expenditures

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(In Thousand Pesos)

## Current Operating Expenditures

## Personnel Services

## Civilian Personnel

## Permanent Positions

## Basic Salary

381,116

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## Total Permanent Positions

381,116

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## Other Compensation Common to All

## Personnel Economic Relief Allowance

30,552

## Representation Allowance

300

## Transportation Allowance

300

## Clothing and Uniform Allowance

7,638

## Honoraria

106

## Mid-Year Bonus - Civilian

31,760

## Year End Bonus

31,760

## Cash Gift

6,365

## Productivity Enhancement Incentive

6,365

## Step Increment

953

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## Total Other Compensation Common To All

116,099

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## Other Compensation for Specific Groups

## Magna Carta for Public Health Workers

35,765

## Longevity Pay

4,896

## Lump-sum for filling of Positions - Civilian

22,277

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## Total Compensation for Specific Groups

62,938

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Other Benefits	
PAG-IBIG Contributions	1,528
PhilHealth Contributions	8,575
Employees Compensation Insurance Premiums	1,528
Terminal Leave	4,930
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Total Other Benefits	16,561
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## Military/Uniformed Personnel

Basic Pay	
Base Pay	45,604,657
Creation of New Positions	793,322
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Total Basic Pay	46,397,979
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## Other Compensation Common to All

Personnel Economic Relief Allowance	2,722,944
Clothing/ Uniform Allowance	4,441,905
Subsistence Allowance	10,130,559
Laundry Allowance	44,541
Quarters Allowance	606,550
Longevity Pay	11,737,672
Mid-Year Bonus - Military/Uniformed Personnel	3,800,389
Year-end Bonus	3,800,389
Cash Gift	567,280
Productivity Enhancement Incentive	567,280
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Total Other Compensation Common to All	38,419,509
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## Other Compensation for Specific Groups

Hazardous Duty Pay	1,936,704
Flying Pay	45,064
Hazard Duty Pay	735,196
Combat Duty Pay	3,043,008
Instructor's Duty Pay	323,933
Reservist's Pay	484,099
Medal of Valor Award	20,700
Parachutist Pay	310,901
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Total Other Compensation for Specific Groups	6,899,605
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## Other Benefits

Special Group Term Insurance	8,169
PAG-IBIG Contributions	136,148
PhilHealth Contributions	1,025,868
Employees Compensation Insurance Premiums	136,148
Terminal Leave	1,103,362
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Total Other Benefits	2,409,695
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Total Personnel Services	94,703,502
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## Maintenance and Other Operating Expenses

Travelling Expenses	371,079
Training and Scholarship Expenses	519,786
Supplies and Materials Expenses	11,222,752
Utility Expenses	808,998
Communication Expenses	176,452
Awards/Rewards and Prizes	1,547
Survey, Research, Exploration and Development Expenses	5,018
Confidential, Intelligence and Extraordinary Expenses	
Intelligence Expenses	444,000
Professional Services	143,094
General Services	12,083
Repairs and Maintenance	2,012,417
Financial Assistance/Subsidy	2,598,125
Taxes, Insurance Premiums and Other Fees	64,094
Labor and Wages	76,261
Other Maintenance and Operating Expenses	
Advertising Expenses	1,737
Printing and Publication Expenses	15,937
Representation Expenses	622,726
Transportation and Delivery Expenses	56,193
Rent/Lease Expenses	38,956
Membership Dues and Contributions to Organizations	117
Subscription Expenses	21,051
Other Maintenance and Operating Expenses	32,365

Total Maintenance and Other Operating Expenses	19,244,788
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TOTAL CURRENT OPERATING EXPENDITURES	113,948,290
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## Capital Outlays

Property, Plant and Equipment Outlay	
Buildings and Other Structures	1,171,554
Machinery and Equipment Outlay	5,288,188
Transportation Equipment Outlay	2,766,818
Furniture, Fixtures and Books Outlay	11,270

Total Capital Outlays	9,237,830
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TOTAL NEW APPROPRIATIONS	123,186,120
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