

ANNEX A

**DETAILS OF TIER AND TIER 2 INCLUSIONS,
BY ALLOTMENT CLASS**

Annex "A"

Comparable Matrix of Tier 1 and Tier 2 Inclusions, by Allotment Class

	TIER 1	TIER 2
A.	MAINTENANCE AND OTHER OPERATION EXPENSES (MOOE)	
A.1. For Inclusion in Agency MOOE Budget	<ul style="list-style-type: none"> • Funding requirements to implement on-going activities, programs and projects. • Reasonable costs needed to ensure the operation of newly completed facilities as of December 31, 2016 but not provided in the 2017 budget, e.g. furniture, fittings and operating costs (electricity, fuel, rent) – taking into account any reduction in existing costs (e.g. rent) • ICT P/A/Ps previously covered by existing ISSP as approved by the MITHI (e.g. software/hardware and licence renewals) • Budget requirements for regular periodic activities or programs. 	<ul style="list-style-type: none"> • Funding requirements to cover new or expanded existing activities, programs and projects, as identified under the BPF. • MOOE costs not included in the FEs: <ul style="list-style-type: none"> ○ due to changes in demand driven parameters of Medium Term Expenditure Plans (MTEP) e.g. DepEd MTEP ○ Already approved rolling development or expansion plans • Proposed resources needed for ISO 9001:2015 QMS certification efforts for an agency which is yet to start/pursue the same, based on standard costs pursuant to Memorandum Circular No. 2016-1 dated December 7, 2016.
B.	CAPITAL OUTLAYS (CO)	
	<ul style="list-style-type: none"> • The cost of ongoing capital projects that have been approved in previous years. • Replacement with the same type/model of equipment and vehicles that have reached end-of-productive/useful/economic lives per COA established guidelines, supported with an updated inventory and proof of disposal of retired assets and re-fleeting program. 	<ul style="list-style-type: none"> • Proposed new infrastructure projects included in the NEDA TRIP. • Proposed adjustments in the total cost of an already approved project by NEDA or ICC as of March 31, 2017. • Proposed requirements for the purchase of motor vehicles for additional/newly-entitled officials and/or functions of a newly-created agency.