



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
BONCODIN HALL, GENERAL SOLANO STREET, SAN MIGUEL, MANILA



CORPORATE BUDGET CIRCULAR

NO. 24
Date: November 4, 2022

TO : The Heads of Government-Owned or -Controlled Corporations (GOCCs); Government Financial Institutions (GFIs); and All Others Concerned

SUBJECT: GUIDELINES FOR THE PREPARATION AND REITERATION OF THE SUBMISSION OF THE CORPORATE OPERATING BUDGET (COB) FOR FISCAL YEAR (FY) 2023 AND THEREAFTER

1.0 PURPOSE

- 1.1 To enjoin all GOCCs and GFIs to submit their COBs pursuant to Section 6 of Executive Order (EO) No. 518 dated January 23, 1979 and Section 19, Chapter 3, Book IV of EO No. 292, s. 1987.
- 1.2 To prescribe the guidelines in the preparation of the annual COB.
- 1.3 To reiterate the timely submission of the annual COB.

2.0 COVERAGE

This Circular shall apply to all GOCCs and GFIs under the coverage of the Governance Commission for GOCCs (GCG) pursuant to Republic Act No. 10149 and those under the jurisdiction of the DBM, with or without budgetary support from the national government.

3.0 GENERAL GUIDELINES

- 3.1 All GOCCs and GFIs covered in this Circular shall prepare and submit their COBs to the Department of Budget and Management (DBM) **not later than March 31 of each Fiscal Year.**

- 3.2 The forms prescribed under the annual Corporate Budget Call which shall be used and attached to the COB are the following:

DBM Form No.	Particulars
	Board Resolution / Secretary's Certificate
700	Corporate Strategic Measures
702	Statement of Financial Position
703	Statement of Financial Performance and attached annexes (DBM Forms 703-A to C)
704	Statement of Cash Flows
705	Comparative Sources of Funds
706	Uses of Funds by Expense Class

In addition, the following documentary requirements shall likewise be submitted, as applicable:

- a. Certification signed by the GOCC head that the proposed project/s are implementation-ready and will be completed within the fiscal year;
- b. Certificate of Budget Inclusion, duly approved by the Governing Board for multi-year projects; and
- c. Supporting documents for the purchase or rental of motor vehicles pursuant to existing issuances and guidelines.

3.2.1 In preparing the forms, the following, among others, shall be strictly observed:

- a. Ensure that the proposed programs/activities/projects can be implemented and corresponding expenditures can be incurred within the fiscal year.
- b. The forms shall consist of the data for four (4) years, i.e., Prior Years (three preceding years' actual and/or audited data), and Current Year (COB proposal).
- c. **For GOCCs/GFIs receiving budgetary support from the national government, the COB Proposal shall be prepared based on the GAA level.**

- 3.3 Consistent with Section 24 of EO No. 518, GOCCs/GFIs shall anchor their COBs on more concrete program plans that are in line with their mandate, outline key procurement and project implementation milestones, and improve monitoring of priority outputs and results. Further, GOCCs/GFIs shall submit a report of financial and physical performance as compared with the approved budget and targets per DBM Form No. 700.
- 3.4 For COBs of GOCCs/GFIs submitted after the prescribed deadline, **their COB level shall only be up to the extent of the immediately preceding year's DBM-approved budget level, net of non-recurring expense items, or the board-approved COB level for the current year, whichever is lower.** Non-recurring items shall refer to budgetary requirements for completed programs/activities/projects by the end of the previous fiscal year.
- 3.5 Pending approval of the current year COB, the GOCC shall operate on the DBM-approved COB level of the immediately preceding year. Once the current year COB has been approved by the DBM, corresponding adjustments in the total budget level shall be made by the GOCCs/GFIs.
- 4.0 As a general rule, GOCCs/GFIs shall operate within the DBM-approved COB for the fiscal year. However, in exceptional cases, a supplemental COB may be submitted, if warranted by additional corporate receipts, actual need/additional priority expenditures, and supported by a Board approval for the same.
- 4.1 The GOCCs/GFIs shall be allowed only **one (1)** Supplemental COB for a given fiscal year, to be submitted to the DBM for approval not later than **September 30 of the fiscal year.**
- 4.2 It is understood that a Supplemental COB does not apply to GOCCs/GFIs operating under the immediately preceding year's DBM-approved COB due to delayed or non-submission of their Principal COB.

5.0 REPEALING CLAUSE

All provisions of existing circulars and issuances inconsistent with this Circular are hereby repealed and/or modified accordingly.

For the guidance and compliance of all concerned.


AMENAH F. PANGANDAMAN
Secretary, DBM



CORPORATE STRATEGIC MEASURES
FY _____

Corporate Operating Budget
 Budget Proposal

DEPARTMENT:
CORPORATION:

- I. CORPORATE PROFILE**
- A. Brief Statement of Corporate Objectives
 - B. Corporate Priorities for the Budget Year
 - C. Major Programs and Projects
 - D. Linkages of Corporate Priorities/Programs/Projects with the National/Sectoral Development Plan, The Medium-Term Philippine Development Plan (MTPDP) and National Policy Pronouncements

PERFORMANCE MEASUREMENT

PART A. FINANCIAL PERFORMANCE (In Thousand Pesos)

Program/Sub-Program	STRATEGIC MEASURES	FY				FY				CY				FY			
		Audited				Audited/Actual				Current Program /1				Proposed /2			
		NG Support	Borrowings	Corp. Funds	TOTAL	NG Support	Borrowings	Corp. Funds	TOTAL	NG Support	Borrowings	Corp. Funds	TOTAL	NG Support	Borrowings	Corp. Funds	TOTAL
I. GAS																	
II. STO																	
III. OPERATIONS																	
TOTAL																	

PART B. PHYSICAL PERFORMANCE

STRATEGIC OBJECTIVES	STRATEGIC MEASURES	VALIDATED BASELINE DATA		ACTUAL	TARGETS	PROPOSED
		FY	FY	FY	FY	CY

1/ Pertains to immediate year preceding the COB/Budget Proposal, to be adjusted with actual amounts.
2/ For COB submission purposes, amounts shall be adjusted to GAA Level for those with NG Subsidies.
For Budget Proposal purposes, amounts shall be as projected.

PREPARED BY: _____

APPROVED BY: _____

PLANNING OFFICER

BUDGET OFFICER

HEAD OF CORPORATION

STATEMENT OF FINANCIAL POSITION

(In Thousand Pesos)

FY ____

Corporate Operating Budget
Budget Proposal

Department: _____

Corporation: _____

PARTICULARS	FY ____ (Audited)	FY ____ (Audited/Actual)	CY ____ (Current Program) 1/	FY ____ (Proposed) 2/	Remarks
ASSETS					
Current Assets					
Cash and Cash Equivalents					
Investments (Comparative breakdown disclosed in the Notes to FS)					
Receivables (Comparative breakdown disclosed in the Notes to FS)					
Inventories					
Other Current Assets					
Total Current Assets					
Non-Current Assets					
Investments					
Investment Property					
Property, Plant and Equipment					
Biological Assets					
Intangible Assets					
Other Non-Current Assets					
Total Non-Current Assets					
TOTAL ASSETS					
LIABILITIES					
Current Liabilities					
Financial Liabilities (Comparative breakdown disclosed in the Notes to FS)					
Inter/Intra - Agency Payables					
Trust Liabilities					
Deferred Credits/Unearned Income					
Provisions					
Other Payables					
Total Current Liabilities					
Non-Current Liabilities					
Financial Liabilities (Comparative breakdown disclosed in the Notes to FS)					
Inter-Agency Payables					
Trust Liabilities					
Deferred Credits/Unearned Income					
Provisions					
Other Payables					
Total Non-Current Liabilities					
TOTAL LIABILITIES					
NET ASSETS/EQUITY					
Government Equity (Accumulated Surplus/(Deficit)) 3/					
Unrealized Gain/(Loss)					
TOTAL NET ASSETS/EQUITY					
TOTAL LIABILITIES AND EQUITY					

1/ Pertains to immediate year preceding the COB/Budget Proposal, to be adjusted with actual amounts.
 2/ For COB submission purposes, amounts shall be adjusted to GAA Level for those with NG Subsidies.
 For Budget Proposal purposes, amounts shall be as projected.
 3/ Statement of Changes in Net Assets/Equity shall be presented in the Notes to Financial Statements.

Prepared:

Responsible Officer _____ Date _____

Approved by:

Head of Corporation _____ Date _____

STATEMENT OF FINANCIAL PERFORMANCE

(In Thousand Pesos)

FY ____

Corporate Operating Budget

Budget Proposal

Department: _____

Corporation: _____

PARTICULARS	FY ____ (Audited)	FY ____ (Audited/Actual)	CY ____ (Current Program) 1/	FY ____ (Proposed) 2/	Remarks
I. REVENUES (Comparative details disclosed in Notes to FS) Operating Revenues Other Revenues (Specify major items)					
II. COST OF SALES (Comparative details disclosed in Notes to FS)					
III. GROSS PROFIT					
IV. CURRENT OPERATING EXPENSES Personnel Services (DBM Forms 703-A/A2) Maintenance and Other Operating Expenses (DBM Form 703-B) Others Financial Expenses (DBM Form 703-C) Non-cash Expenses Depreciation of fixed assets Amortization of deferred assets Other non-cash expenses					
V. Surplus/(Deficit) from Current Operations					
VI. INCOME TAX					
VII. NET PROFIT/(LOSS) AFTER INCOME TAX Add/Deduct: Financial Assistance/Subsidy Sale of Assets Gains Losses					
VIII. SURPLUS/(DEFICIT) FOR THE PERIOD					

1/ Pertains to immediate year preceding the COB/Budget Proposal, to be adjusted with actual amounts.

2/ For COB submission purposes, amounts shall be adjusted to GAA Level for those with NG Subsidies.

For Budget Proposal purposes, amounts shall be as projected.

Prepared By:

Approved by:

Responsible Officer

Date

Responsible Officer

Date

Head of Corporation

Date

SUMMARY OF PERSONNEL SERVICES
(Amounts in Thousand Pesos Except Number of Positions)

Department:				
Corporation:				
PARTICULARS	FY _____	FY _____	CY _____	FY _____
	(Audited)	(Audited/Actual)	(Current Program) 1/	(Proposed) 2/
STAFFING SUMMARY				
Board of Directors/Trustees				
Number of Positions				
Amount				
Permanent				
Number of Positions				
Amount				
Contractual				
Number of Positions				
Amount				
Casual				
Number of Positions				
Amount				
Total Number of Positions	-	-	-	-
Total Amount	-	-	-	-
SUMMARY OF SALARIES/WAGES AND OTHER COMPENSATION				
Salaries and Wages				
• Permanent	-	-	-	-
• Contractual				
• Casual				
Standard Allowances				
• Personnel Economic Relief Allowance				
• Uniform/Clothing Allowance				
• Mid-year Bonus				
• Year-end Bonus				
• Cash Gift				
Specific Purpose Allowances				
• Representation and Transportation Allowances				
• Per Diem				
• Honoraria				
• Subsistence Allowance				
• Night Shift Differentials				
• Quarters Allowance				
• Teller's Allowance				
• Quarters Allowance				
• (Add additional allowances/benefits, if any)				
Incentives and Benefits				
• Anniversary Bonus				
• Rice Allowance				
• Children's Allowance				
• Meal Allowance				
• Medical/Dental/Optical Benefits				
• Longevity Pay				
• (Add additional allowances/benefits, if any)				
<i>(DBM Form No. 703-A continuation...)</i>				
Fixed Expenditures				
• Employees Compensation Insurance Premium				
• Pag-IBIG Contribution				
• PhilHealth Contribution				
• Retirement and Life Insurance Premium				
Separation and Retirement Benefits				
• Terminal Leave				
• Retirement Benefits				
• (Add additional allowances/benefits, if any)				
GRAND TOTAL	-	-	-	-

1/ Pertains to immediate year preceding the COB/Budget Proposal, to be adjusted with actual amounts.

2/ For COB submission purposes, amounts shall be adjusted to GAA Level for those with NG Subsidies.

For Budget Proposal purposes, amounts shall be as projected.

Prepared by:

Approved by:

Personnel Officer

Head of Corporation

Date: _____

Date: _____

DETAILS OF MAINTENANCE AND OTHER OPERATING EXPENSES
 (In Thousand Pesos)
 FY ____

Department: _____
 Corporation: _____

PARTICULARS	FY ____ (Audited)	FY ____ (Audited/Actual)	CY ____ (Current Program) 1/	FY ____ (Proposed) 2/	Remarks
Travelling Expenses Training and Scholarship Expenses Supplies and Materials Expenses Utility Expenses Communication Expenses Awards/Rewards and Prizes Survey, Research, Exploration and Dev't Expenses Generation, Transmission and Distribution Expenses Confidential and Intelligence Expenses Extraordinary and Miscellaneous Expenses Professional Services General Services Repairs and Maintenance Financial Assistance/Subsidy Taxes, Insurance Premiums and Other Fees Labor and Wages Other Maintenance and Operating Expenses (attach supporting schedule) - Suggestion to disclose the breakdown here instead of a separate attachment) Financial Expenses Management Supervision/ Trusteeship Fees Interest Expenses Guarantee Fees Bank Charges Commitment Fees Other Financial Charges					
Total MOOE					

1/ Pertains to immediate year preceding the COB/Budget Proposal, to be adjusted with actual amounts.
 2/ For COB submission purposes, amounts shall be adjusted to GAA Level for those with NG Subsidies.
 For Budget Proposal purposes, amounts shall be as projected.

Prepared by: _____ Date: _____ Approved by: _____ Date: _____
 Responsible Officer Head of Corporation

CAPITAL OUTLAYS OBLIGATIONS, BY OBJECT OF EXPENDITURES
(In Thousand Pesos)

Department:					
Corporation:					
Particulars 1/	FY ____ (Audited)	FY ____ (Audited/Actual)	CY ____ (Current Program) 2/	FY ____ (Proposed) 3/	Remarks
Investment Outlay Loans Outlay Investment Property Outlay Land and Land Improvements Outlay Infrastructure Outlay Buildings and Other Structures Machinery and Equipment Outlay Transportation Equipment Furniture and Fixtures, Books Outlay Biological Assets Outlay Intangible Assets Outlay TOTAL					
1/ Use separate sheet for the details of programs/projects for each object of expenditures 2/ Pertains to immediate year preceding the COB/Budget Proposal, to be adjusted with actual amounts. 3/ For COB submission purposes, amounts shall be adjusted to GAA Level for those with NG Subsidies. For Budget Proposal purposes, amounts shall be as projected.					
Prepared by:					
Budget Officer			Date		

STATEMENT OF CASH FLOWS

(In Thousand Pesos)

FY ____

Corporate Operating Budget
Budget Proposal

Department:

Corporation:

PARTICULARS	FY ____ (Audited)	FY ____ (Audited/Actual)	CY ____ (Current Program) 1/	FY ____ (Proposed) 2/
I. Cash flows from operating activities				
Inflows:				
Cash generated from operations				
Collection of receivables				
Receipt of government subsidy				
Other inflows				
Outflows:				
Payment for salaries				
Payment to suppliers				
Payment of taxes				
Other outflows				
Net cash provided by (used in) operating activities				
II. Cash flows from investing activities				
Inflows:				
Proceeds from Sale of Investment Property				
Proceeds from sale/disposal of PPE				
Proceeds from Matured/Return of Investments				
Cash receipts from sale of other assets				
Other inflows				
Outflows:				
Purchase of property, plant and equipment				
Purchase of Investment Property				
Purchase of Intangible Assets				
Other outflows				
Net cash provided by (used in) investing activities				
III. Cash flows from financing activities				
Inflows:				
Receipt of government equity				
Proceeds from loans, bonds, notes				
Other inflows				
Outflows:				
Payment of Long-Term Liabilities				
Redemption of Bills/Bonds Issued				
Payment of Interest Expense				
Dividend payment				
Other outflows				
Net cash provided by (used in) financing activities				
Net increase/(decrease) in cash and cash equivalents				
Effects of Exchange Rate changes on Cash and cash equivalents				
Cash and cash equivalents, beginning of the year				
Cash and cash equivalents, end of year				

1/ Pertains to immediate year preceding the COB/Budget Proposal, to be adjusted with actual amounts.

2/ For COB submission purposes, amounts shall be adjusted to GAA Level for those with NG Subsidies.
For Budget Proposal purposes, amounts shall be as projected.

Prepared by:

Approved by:

Responsible Officer

Date

Head of Corporation

Date

COMPARATIVE SOURCES OF FUNDS
(In Thousand Pesos)
FY ____

Corporate Operating Budget
 Budget Proposal

Department: _____				
Corporation: _____				
PARTICULARS	FY ____ (Audited)	FY ____ (Audited/Actual)	CY ____ (Current Program) 1/	FY ____ (Proposed) 2/
Corporate Funds				
a. Corporate Income				
b. Equity Contribution				
b.1 Private				
b.2 Other Government Entity except the National Government				
c. Others (Specify)				
Subtotal; Corporate Funds				
National Government Support				
a. New General Appropriations				
a.1 Programmed				
1. Subsidy				
Operating Programs/Projects				
2. Equity				
Subtotal				
a.2 Unprogrammed Fund				
1. Loans Outlay				
2. Stock Dividend				
3. Others (specify)				
Subtotal				
Subtotal; New General Appropriations				
b. Automatic Appropriations				
b.1 Net Lending				
b.2 Tax Subsidy				
b.3 Conversion				
1. Subsidy				
Operating Programs/Projects				
2. Equity				
b.4 Special Account in the General Fund (specify)				
b.5 Others (specify)				
Subtotal; Automatic Appropriations				
Borrowings				
a. Foreign Loan Availment				
b. Domestic Loans				
c. Others				
Subtotal; Borrowings				
Total Sources				
1/ Pertains to immediate year preceding the COB/Budget Proposal, to be adjusted with actual amounts. 2/ For COB submission purposes, amounts shall be adjusted to GAA Level for those with NG Subsidies. For Budget Proposal purposes, amounts shall be as projected.				
Prepared by:		Approved by:		
Accountant/Budget Officer/Planning Officer	Date	Head of Corporation	Date	

Department:																		
Corporation:																		
UACS CODE	COST STRUCTURE/ PROGRAM/ ACTIVITY/PROJECT	Key Program Codes	NATIONAL GOVERNMENT SUBSIDY/ EQUITY AND/OR LOANS OUTLAY				CORPORATE BORROWINGS				CORPORATE FUNDS				GRAND TOTAL			
			PS	MOOE	CO	TOTAL	PS	MOOE	CO	TOTAL	PS	MOOE	CO	TOTAL	PS	MOOE	CO	TOTAL
	TIER 2																	
	A. COST STRUCTURE																	
	I. General Administration and Support																	
	a. Activity 1																	
	CO																	
	RO 1																	
	RO 2																	
	b. Project 1																	
	CO																	
	RO 1																	
	RO 2																	
	Total, A.I.																	
	II. Support to Operations																	
	a. Activity 1																	
	CO																	
	RO 1																	
	RO 2																	
	b. Project 1																	
	CO																	
	RO 1																	
	RO 2																	
	Total, A.II.																	
	III. Operations																	
	Organizational Outcome 1																	
	PROGRAM 1																	
	SUB-PROGRAM 1																	
	a. Activity 1																	
	CO																	
	RO 1																	
	RO 2																	
	b. Project 1																	
	CO																	
	RO 1																	
	RO 2																	
	Organizational Outcome n																	
	PROGRAM n																	
	SUB-PROGRAM n																	
	a. Activity n																	
	CO																	
	RO 1																	
	RO 2																	
	b. Project n																	
	CO																	
	RO 1																	
	RO 2																	
	Total, A.III.																	
	Sub-total, Tier 2																	
	TOTAL																	

1/ Pertains to immediate year preceding the COB/Budget Proposal, to be adjusted with actual amounts.
2/ For COB submission purposes, amounts shall be adjusted to GAA Level for those with NG Subsidies.
For Budget Proposal purposes, amounts shall be as projected.

Prepared by:

Approved by:

Finance Officer

Date

Head of Corporation

Date