

**XI. DEPARTMENT OF FINANCE**

**A. OFFICE OF THE SECRETARY**

**STRATEGIC OBJECTIVES**

**MANDATE** : Under Executive Order No. 127, 127-A and 292, the Department of Finance is responsible for the following: 1. Formulation, institutionalization and administration of fiscal policies in coordination with other concerned agencies and instrumentalities of the government; 2. Generation and management of the financial resources of the government; 3. Supervision of the revenue operations of all local government units; 4. Review, approval and management of all public sector debt, domestic or foreign; and 5. Rationalization, privatization and public accountability of corporations and assets owned, controlled or acquired by the government.

**VISION** : 1. A strong economy with stable prices and strong growth; 2. A stable fiscal situation with adequate resources for government projects; 3. A borrowing program that is able to avoid the crowding-out effect on the private sector, and minimizes costs; 4. A public sector debt profile with long maturities and optimum mix of currencies that minimizes the impact of currency and interest rate movement; and 5. A strong economic growth with equity and productivity.

**MISSION** : Our economy must be one of the most dynamic and active in the world, globally competitive and onward looking. The DOF shall take the lead in providing a solid foundation for the achievement of the objective, by building a strong fiscal position, through the following: 1. Formulation, institutionalization and administration of fiscal policies; 2. Improvement of tax collection efficiency; 3. Mobilization of adequate resources on most advantageous terms to meet budgetary requirements; 4. Sound management of public sector debt; and 5. Initiation and implementation of structural and policy reforms.

**KEY RESULT AREAS** : Anti-Corruption, Transparent, Accountable, Efficient and Participatory Governance

**SECTOR OUTCOME** : 1. Fiscal Strength; 2. Resilient and Inclusive Financial System; and 3. Good Governance

**ORGANIZATIONAL OUTCOME** : 1. Fiscal Sustainability Attained  
2. Asset and Debt Effectively Managed

**SECTION 1 : EXPENDITURE PROGRAM  
(in pesos)**

| No./ Code                  | GASS / STO / OPERATIONS / PROJECTS | 2014 Actual        | 2015 Current       | 2016 Proposed        |
|----------------------------|------------------------------------|--------------------|--------------------|----------------------|
| 000001000000000            | General Administration and Support | 189,014,000        | 382,031,000        | 1,968,315,000        |
|                            | PS                                 | 95,553,000         | 70,739,000         | 72,930,000           |
|                            | MOOE                               | 91,155,000         | 86,661,000         | 88,385,000           |
|                            | CO                                 | 2,306,000          | 224,631,000        | 1,807,000,000        |
| 000002000000000            | Support to Operations              | 30,260,000         | 35,299,000         | 44,001,000           |
|                            | PS                                 | 13,098,000         | 12,828,000         | 13,829,000           |
|                            | MOOE                               | 17,162,000         | 22,457,000         | 22,688,000           |
|                            | CO                                 |                    | 14,000             | 7,484,000            |
| 000003000000000            | Operations                         | 343,715,000        | 298,165,000        | 379,495,000          |
|                            | PS                                 | 131,646,000        | 147,714,000        | 161,421,000          |
|                            | MOOE                               | 200,651,000        | 139,875,000        | 215,074,000          |
|                            | CO                                 | 11,418,000         | 10,576,000         | 3,000,000            |
|                            | Projects                           | 357,017,000        | 210,579,000        | 220,000,000          |
|                            | MOOE                               | 357,017,000        | 210,579,000        |                      |
|                            | CO                                 |                    |                    | 220,000,000          |
| <b>TOTAL AGENCY BUDGET</b> |                                    | <b>920,006,000</b> | <b>926,074,000</b> | <b>2,611,811,000</b> |
|                            | PS                                 | 240,297,000        | 231,281,000        | 248,180,000          |
|                            | MOOE                               | 665,985,000        | 459,572,000        | 326,147,000          |
|                            | CO                                 | 13,724,000         | 235,221,000        | 2,037,484,000        |

## STAFFING SUMMARY

|                                      | 2014 | 2015 | 2016 |
|--------------------------------------|------|------|------|
| TOTAL STAFFING                       |      |      |      |
| Total Number of Authorized Positions | 797  | 797  | 797  |
| Total Number of Filled Positions     | 382  | 381  | 381  |

| OPERATIONS BY MFO                                                               | PROPOSED 2016 |             |           |             |
|---------------------------------------------------------------------------------|---------------|-------------|-----------|-------------|
|                                                                                 | PS            | MOOE        | CO        | TOTAL       |
| MFO 1: FINANCIAL SECTOR and FISCAL POLICY SERVICES (Domestic and International) | 29,450,000    | 152,281,000 | 3,000,000 | 184,731,000 |
| MFO 2: PUBLIC SECTOR FINANCIAL RESOURCES MANAGEMENT SERVICES                    | 107,703,000   | 56,971,000  |           | 164,674,000 |
| MFO 3: MUNICIPAL DEVELOPMENT FUND ADMINISTRATION SERVICES                       | 11,413,000    | 5,822,000   |           | 17,235,000  |

SECTION 2 : EXPENDITURE PROGRAM BY CENTRAL / REGIONAL ALLOCATION, 2016  
(in pesos)

| REGION                                       | PS          | MOOE        | CO            | TOTAL         |
|----------------------------------------------|-------------|-------------|---------------|---------------|
| Regional Allocation (net of Central Office): | 229,112,000 | 326,147,000 | 2,037,484,000 | 2,592,743,000 |
| National Capital Region (NCR)                | 229,112,000 | 326,147,000 | 1,817,484,000 | 2,372,743,000 |
| Region VII - Central Visayas                 |             |             | 80,000,000    | 80,000,000    |
| Region X - Northern Mindanao                 |             |             | 140,000,000   | 140,000,000   |
| TOTAL AGENCY BUDGET                          | 229,112,000 | 326,147,000 | 2,037,484,000 | 2,592,743,000 |

## SECTION 3 : SPECIAL PROVISION(S)

1. Municipal Development Fund. The Municipal Development Fund (MDF), administered by the Municipal Development Fund Office (MDFO), constituted from the proceeds of foreign loans, grants and assistance shall be used for the loaning and relending operations to LGUs in accordance with P.D. No. 1914, COA-DOF-DBM JC No. 6-87 dated August 17, 1987 and E.O. No. 41, s. 1998. Any interest earnings of the MDF shall be deposited as income of the General Fund pursuant to Section 44, Chapter 5, Book VI of E.O. No. 292, s. 1987 and Section 65 of P.D. No. 1445.

Disbursements or expenditures by the MDFO 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, and to appropriate criminal action under existing penal laws.

The MDFO shall submit to the DBM, the House Committee on Appropriations and the Senate Committee on Finance, either in printed form or by way of electronic document, quarterly reports on income and expenditure. The Executive Director of the MDFO and the Office's web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are likewise posted on the MDFO website.

2. Appropriations for Programs and Specific Activities. The amounts appropriated herein for the programs of the agency shall be used specifically for the following activities in the indicated amounts and conditions:

## SECTION 4 : PERFORMANCE INFORMATION

## KEY STRATEGIES :

1. Desired Revenue to Gross Domestic Product ratio attained;
2. Prudent liability management;
3. Effective management of government assets and liabilities;
4. Improved fiscal performance of Local Government Units (LGUs) to support local development projects and delivery of basic services;
5. Effective international finance management through strategic mobilization and allocation of funds; and
6. Establish the country at the forefront of international and regional economic finance cooperation.

| ORGANIZATIONAL OUTCOMES (OOs) / PERFORMANCE INDICATORS (PIs)                                             | Baseline                                                                                                                                                  | 2016 Targets                                                                                       |
|----------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|
| <b>Fiscal Sustainability Attained</b>                                                                    |                                                                                                                                                           |                                                                                                    |
| Improved tax effort                                                                                      | FY 2011: 12.4%; FY 2012: 12.9%; FY 2013: 13.3%                                                                                                            | Increase of 0.3% over the previous year                                                            |
| Sustained country's position at the forefront of international and regional economic finance cooperation | Recommendation/positions on issues taken up at the various international and regional fora depending on the frequency of meetings attended                | Country position on issues presented by Secretary of Finance - majority adopted by other Ministers |
| Transparency initiatives for mining industry                                                             | The country has not yet produced an EITI Report                                                                                                           | Output/reports on extractive industry (First Report to be published by December 31, 2014)          |
| <b>Asset and Debt Effectively Managed</b>                                                                |                                                                                                                                                           |                                                                                                    |
| Sustained dividend collection from GOCCs                                                                 | FY 2011: P5.5B, FY 2012: P5.5B, FY 2013: P5.5B                                                                                                            | P6 Billion (+/-10%)                                                                                |
| Amount of loans with concessional terms increased or amount of concessional loans maximized              | FY 2011: US\$1.5 Billion; FY 2012: US\$2.0 Billion; FY 2013: US\$2.4 Billion (This includes requirements to finance Yolanda post disaster reconstruction) | Value of foreign loans and grants: ( > or = US\$ 500 million)                                      |
|                                                                                                          | FY 2011: 7; FY 2012: 15; FY 2013: 12 foreign loans                                                                                                        | Number of foreign loans and grants negotiated: (> or = 7)                                          |

| MFO / PIs                                                                                                         | 2016 Targets          |
|-------------------------------------------------------------------------------------------------------------------|-----------------------|
| <b>MFO 1: FINANCIAL SECTOR and FISCAL POLICY SERVICES (Domestic and International)</b>                            |                       |
| Number of plans and policy advisories developed and issued or updated and disseminated                            | 4                     |
| Percentage of stakeholders who rate DOF plans/policy advisories as good or better                                 | 80%                   |
| Percentage of plans and policy advisories that have been updated, issued and disseminated within the last 3 years | 80%                   |
| <b>MFO 2: PUBLIC SECTOR FINANCIAL RESOURCES MANAGEMENT SERVICES</b>                                               |                       |
| Revenue Integrity Protection and Services                                                                         |                       |
| Number of personnel investigated                                                                                  | 72                    |
| No. of personnel charged with OMB or CSC                                                                          | 37                    |
| Percentage of personnel charged by appropriate authority over the no. of personnel investigated                   | >50%                  |
| Percentage of investigation completed within the prescribed period                                                | 100%                  |
| GOCC Monitoring                                                                                                   |                       |
| Amount collected as dividend from GOCCs                                                                           | P6.0 Billion          |
| Dividend from GOCCs collected within the prescribed period                                                        | 100% collection by 4Q |
| Percentage of dividend collected over target dividend                                                             | 100%                  |
| Negotiation of International Laws                                                                                 |                       |
| Value of foreign loans and grants negotiated                                                                      | > or = US\$500M       |
| Number of foreign loans and grants negotiated                                                                     | > or = 5              |
| Percentage of ODA loans obtained annually compliant to the Weighted Average Grant Element as set under the law    | 100%                  |
| <b>MFO 3: MUNICIPAL DEVELOPMENT FUND ADMINISTRATION SERVICES</b>                                                  |                       |
| Number of applications for grants and loans acted upon                                                            | 15                    |
| Number of grants and loans approved                                                                               | 10                    |
| Number of loans and grants under management                                                                       | 273                   |
| Value of loans and grants under management                                                                        | P842.14 Million       |
| Percentage of loans with one or more interest payments in arrears by 30 days or more                              | 10%                   |
| Percentage of applications acted upon within 2 weeks                                                              | 80%                   |
| Percentage of borrowers that are default on an interest or principal repayment after one (1) month grace period   | 10%                   |

Appropriations/Obligations

(In Thousand Pesos)

| <u>Description</u>                           | <u>2014</u> | <u>2015</u> | <u>2016</u> |
|----------------------------------------------|-------------|-------------|-------------|
| New General Appropriations                   | 438,758     | 907,139     | 2,592,743   |
| General Fund                                 |             | 907,139     | 2,592,743   |
| R.A. No. 10633                               | 438,758     |             |             |
| Automatic Appropriations                     | 69,459      | 18,935      | 19,068      |
| Grant Proceeds                               | 50,000      |             |             |
| Retirement and Life Insurance Premiums       | 19,459      | 18,935      | 19,068      |
| Continuing Appropriations                    | 567,596     | 597,432     |             |
| Unreleased Appropriation for Capital Outlays |             |             |             |
| R.A. No. 10652                               |             | 32,224      |             |
| R.A. No. 10633                               |             | 524,581     |             |
| Unreleased Appropriation for MOOE            |             |             |             |
| R.A. No. 10352                               | 567,596     |             |             |
| Unobligated Releases for Capital Outlays     |             |             |             |
| R.A. No. 10633                               |             | 2,795       |             |
| Unobligated Releases for MOOE                |             |             |             |
| R.A. No. 10633                               |             | 37,832      |             |
| Supplemental Appropriations                  | 32,224      |             |             |
| General Fund                                 |             |             |             |
| R.A. No. 10652                               | 32,224      |             |             |
| Budgetary Adjustment(s)                      | 682,285     |             |             |
| Transfer(s) from:                            |             |             |             |
| Department of Agrarian Reform (DAR)          |             |             |             |
| Office of the Secretary                      | 524,581     |             |             |
| International Commitments Fund               | 123,831     |             |             |
| Miscellaneous Personnel Benefits Fund        | 31,629      |             |             |
| Pension and Gratuity Fund                    | 2,244       |             |             |
| Total Available Appropriations               | 1,790,322   | 1,523,506   | 2,611,811   |
| Unused Appropriations                        | ( 870,316)  | ( 597,432)  |             |
| Unreleased Appropriation                     | ( 767,384)  | ( 556,805)  |             |
| Unobligated Allotment                        | ( 102,932)  | ( 40,627)   |             |
| TOTAL OBLIGATIONS                            | 920,006     | 926,074     | 2,611,811   |
|                                              | =====       | =====       | =====       |

Proposed New Appropriations Language

For general administration and support, support to operations, and operations, including foreign-assisted project, as indicated hereunder.....P 2,592,743,000  
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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>    |
| PROGRAMS        |                                    |                                       |                                                 |                        |                 |
| 000001000000000 | General Administration and Support | 67,900,000                            | 88,385,000                                      | 1,807,000,000          | 1,963,285,000   |
| 103001000100000 | General Management and Supervision | P 57,181,000                          | P 88,385,000                                    | P 1,807,000,000        | P 1,952,566,000 |

100 EXPENDITURE PROGRAM FY 2016 VOLUME II

|                                               |                                                                                                                    |               |               |                 |                 |
|-----------------------------------------------|--------------------------------------------------------------------------------------------------------------------|---------------|---------------|-----------------|-----------------|
| 103001000200000                               | Administration of Personnel Benefits                                                                               | 10,719,000    |               |                 | 10,719,000      |
| Sub-total, General Administration and Support |                                                                                                                    | 67,900,000    | 88,385,000    | 1,807,000,000   | 1,963,285,000   |
| 000002000000000                               | Support to Operations                                                                                              | 12,646,000    | 22,688,000    | 7,484,000       | 42,818,000      |
| 101002000100000                               | Legal Services                                                                                                     | 3,979,000     | 2,868,000     |                 | 6,847,000       |
| 103002000200000                               | Management of Information Systems                                                                                  | 8,667,000     | 19,820,000    | 7,484,000       | 35,971,000      |
| Sub-total, Support to Operations              |                                                                                                                    | 12,646,000    | 22,688,000    | 7,484,000       | 42,818,000      |
| 000003000000000                               | Operations                                                                                                         | 148,566,000   | 215,074,000   | 3,000,000       | 366,640,000     |
| 000003010000000                               | MFO 1: FINANCIAL SECTOR and FISCAL POLICY SERVICES (Domestic and International)                                    | 29,450,000    | 152,281,000   | 3,000,000       | 184,731,000     |
| 000003010100000                               | National Finance Services                                                                                          | 16,107,000    | 32,521,000    |                 | 48,628,000      |
| 101003010100001                               | Financial and fiscal planning and programming                                                                      | 13,208,000    | 13,365,000    |                 | 26,573,000      |
| 101003010100002                               | Consolidation, analysis, generation of reports, planning and programming/project formulation on revenue statistics | 2,899,000     | 2,071,000     |                 | 4,970,000       |
| 101003010100003                               | Philippine Extractive Industries Transparency Initiative (PH-EITI)                                                 |               | 17,085,000    |                 | 17,085,000      |
| 101003010200000                               | Tax policy research and formulation                                                                                | 4,386,000     | 12,797,000    | 3,000,000       | 20,183,000      |
| 101003010300000                               | Preparation of inputs of financial and economic policies of international development                              | 8,957,000     | 106,963,000   |                 | 115,920,000     |
| 000003020000000                               | MFO 2: PUBLIC SECTOR FINANCIAL RESOURCES MANAGEMENT SERVICES                                                       | 107,703,000   | 56,971,000    |                 | 164,674,000     |
| 101003020100000                               | Privatization Group and Council Secretariat support                                                                | 12,857,000    | 5,280,000     |                 | 18,137,000      |
| 101003020200000                               | Revenue Integrity Protection Service (RIPS) activities                                                             | 10,751,000    | 6,485,000     |                 | 17,236,000      |
| 101003020300000                               | Processing of tax exemption requests and oversight of tax law implementation                                       | 48,505,000    | 17,843,000    |                 | 66,348,000      |
| 101003020400000                               | Operation of One-Stop Shop Inter-Agency Tax Credit and Duty Draw-Back Center                                       | 21,761,000    | 9,960,000     |                 | 31,721,000      |
| 101003020500000                               | Negotiation of international financing transactions                                                                | 4,834,000     | 6,606,000     |                 | 11,440,000      |
| 101003020600000                               | Monitoring, performance evaluation and coordination of the government corporate sector                             | 8,995,000     | 10,797,000    |                 | 19,792,000      |
| 000003030000000                               | MFO 3: MUNICIPAL DEVELOPMENT FUND ADMINISTRATION SERVICES                                                          | 11,413,000    | 5,822,000     |                 | 17,235,000      |
| 101003030100000                               | Administration of funds for municipal development                                                                  | 11,413,000    | 5,822,000     |                 | 17,235,000      |
| Sub-total, Operations                         |                                                                                                                    | 148,566,000   | 215,074,000   | 3,000,000       | 366,640,000     |
| TOTAL PROGRAMS AND ACTIVITIES                 |                                                                                                                    | P 229,112,000 | P 326,147,000 | P 1,817,484,000 | P 2,372,743,000 |
|                                               |                                                                                                                    | =====         | =====         | =====           | =====           |
| 000005000000000                               | Foreign-Assisted Projects                                                                                          |               |               | 220,000,000     | 220,000,000     |
| 000005090000000                               | Environmental Protection                                                                                           |               |               | 220,000,000     | 220,000,000     |
| 000005090300000                               | Protection of Biodiversity and Landscape                                                                           |               |               | 220,000,000     | 220,000,000     |

|                                                                                               |   |             |   |             |   |               |   |               |   |             |               |
|-----------------------------------------------------------------------------------------------|---|-------------|---|-------------|---|---------------|---|---------------|---|-------------|---------------|
| 102005090300001 Integrated Natural Resources<br>and Environmental Management Project (INREMP) |   |             |   |             |   |               |   |               |   | 220,000,000 | 220,000,000   |
| Sub-total, Foreign-Assisted Project(s)                                                        |   |             |   |             |   |               |   |               |   | 220,000,000 | 220,000,000   |
| TOTAL PROJECTS                                                                                |   |             |   |             |   |               |   |               | P | 220,000,000 | P 220,000,000 |
|                                                                                               |   |             |   |             |   |               |   |               |   | =====       | =====         |
| TOTAL NEW APPROPRIATIONS                                                                      | P | 229,112,000 | P | 326,147,000 | P | 2,037,484,000 | P | 2,592,743,000 |   | =====       | =====         |

Obligations, by Object of Expenditures

CYs 2014-2016  
(In Thousand Pesos)

|                                                        | 2014    | 2015    | 2016    |
|--------------------------------------------------------|---------|---------|---------|
| Current Operating Expenditures                         |         |         |         |
| Personnel Services                                     |         |         |         |
| Civilian Personnel                                     |         |         |         |
| Permanent Positions                                    |         |         |         |
| Basic Salary                                           | 156,550 | 157,810 | 158,908 |
| Total Permanent Positions                              | 156,550 | 157,810 | 158,908 |
| Other Compensation Common to All                       |         |         |         |
| Personnel Economic Relief Allowance                    | 9,007   | 9,168   | 9,144   |
| Representation Allowance                               | 7,231   | 7,116   | 7,380   |
| Transportation Allowance                               | 6,371   | 7,116   | 7,380   |
| Clothing and Uniform Allowance                         | 2,005   | 1,910   | 1,905   |
| Productivity Incentive Allowance                       | 584     | 764     |         |
| Honoraria                                              | 74      |         |         |
| Overtime Pay                                           | 460     |         |         |
| Year End Bonus                                         | 13,409  | 13,154  | 13,242  |
| Cash Gift                                              | 1,897   | 1,910   | 1,905   |
| Step Increment                                         |         | 396     | 678     |
| Collective Negotiation Agreement                       | 9,700   |         |         |
| Productivity Enhancement Incentive                     |         |         | 1,905   |
| Total Other Compensation Common to All                 | 50,738  | 41,534  | 43,539  |
| Other Compensation for Specific Groups                 |         |         |         |
| Magna Carta for Public Health Workers                  | 230     | 74      | 80      |
| Magna Carta for Public Social Workers                  |         |         | 187     |
| Other Personnel Benefits                               | 7,976   |         |         |
| Total Other Compensation for Specific Groups           | 8,206   | 74      | 267     |
| Other Benefits                                         |         |         |         |
| Retirement and Life Insurance Premiums                 | 18,767  | 18,935  | 19,068  |
| PAG-IBIG Contributions                                 | 452     | 458     | 458     |
| PhilHealth Contributions                               | 1,238   | 1,284   | 1,284   |
| Employees Compensation Insurance Premiums              | 454     | 458     | 458     |
| Retirement Gratuity                                    |         |         | 9,626   |
| Terminal Leave                                         | 2,299   |         | 1,093   |
| Total Other Benefits                                   | 23,210  | 21,135  | 31,987  |
| Non-Permanent Positions                                | 1,593   | 10,728  | 13,479  |
| TOTAL PERSONNEL SERVICES                               | 240,297 | 231,281 | 248,180 |
| Maintenance and Other Operating Expenses               |         |         |         |
| Travelling Expenses                                    | 19,962  | 29,632  | 32,899  |
| Training and Scholarship Expenses                      | 3,445   | 13,987  | 6,286   |
| Supplies and Materials Expenses                        | 22,311  | 17,013  | 17,884  |
| Utility Expenses                                       | 30,072  | 32,432  | 30,118  |
| Communication Expenses                                 | 11,531  | 9,234   | 12,619  |
| Survey, Research, Exploration and Development Expenses |         | 158     |         |
| Confidential, Intelligence and Extraordinary Expenses  |         |         |         |
| Confidential Expenses                                  |         | 1,000   | 1,000   |
| Extraordinary and Miscellaneous Expenses               | 2,413   | 3,548   | 3,797   |
| Professional Services                                  | 42,568  | 252,141 | 49,727  |

|                                                       |                |                |                  |
|-------------------------------------------------------|----------------|----------------|------------------|
| General Services                                      | 19,093         | 18,851         | 19,755           |
| Repairs and Maintenance                               | 15,222         | 13,394         | 13,161           |
| Taxes, Insurance Premiums and Other Fees              | 6,665          | 21,222         | 17,276           |
| Other Maintenance and Operating Expenses              |                |                |                  |
| Advertising Expenses                                  | 7,784          | 10,100         | 4,604            |
| Printing and Publication Expenses                     | 1,580          | 1,075          | 1,713            |
| Representation Expenses                               | 3,755          | 1,627          | 1,146            |
| Transportation and Delivery Expenses                  |                | 500            |                  |
| Rent/Lease Expenses                                   | 46,122         | 14,042         | 19,144           |
| Membership Dues and Contributions to Organizations    | 15             | 1,881          | 1,920            |
| Subscription Expenses                                 | 417            | 8,951          | 6,778            |
| Donations                                             | 357,017        |                |                  |
| Other Maintenance and Operating Expenses              | 76,013         | 8,784          | 86,320           |
| <b>TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES</b> | <u>665,985</u> | <u>459,572</u> | <u>326,147</u>   |
| <b>TOTAL CURRENT OPERATING EXPENDITURES</b>           | <u>906,282</u> | <u>690,853</u> | <u>574,327</u>   |
| <b>Capital Outlays</b>                                |                |                |                  |
| Investment Outlay                                     |                |                | 140,000          |
| Property, Plant and Equipment Outlay                  |                |                |                  |
| Infrastructure Outlay                                 |                |                | 80,000           |
| Buildings and Other Structures                        | 3,983          | 216,310        | 1,800,000        |
| Machinery and Equipment Outlay                        | 1,397          | 7,794          | 10,484           |
| Transportation Equipment Outlay                       | 7,745          | 7,700          | 7,000            |
| Furniture, Fixtures and Books Outlay                  | 599            | 3,417          |                  |
| <b>TOTAL CAPITAL OUTLAYS</b>                          | <u>13,724</u>  | <u>235,221</u> | <u>2,037,484</u> |
| <b>GRAND TOTAL</b>                                    | <u>920,006</u> | <u>926,074</u> | <u>2,611,811</u> |

**B. BUREAU OF CUSTOMS**

**STRATEGIC OBJECTIVES**

- MANDATE** : The Bureau of Customs (BOC) implements an effective revenue collection by preventing and suppressing smuggling and the entry of prohibited imported goods. It supervises and controls the entrance and clearance of vessels and aircrafts engaged in foreign commerce. It also enforces the Tariff and Customs Code of the Philippines and all other laws, rules and regulations related to Tariff and customs administration.
- VISION** : A modernized and efficient customs administration that every Filipino can trust and be proud of
- MISSION** : 1.To assess and collect lawful revenues efficiently  
 2.To effectively curb illicit trade and all forms of customs fraud  
 3.To facilitate trade in a secured manner  
 4.To implement relevant technology for an efficient and effective customs management aligned with international customs best practices
- KEY RESULT AREAS** : Anti-Corruption/Transparent, Accountable and Participatory Governance
- SECTOR OUTCOME** : Fiscal Strength, Enhancement of Trade and National Security
- ORGANIZATIONAL OUTCOME** : 1. Revenue Collection Improved  
 2. Secured Trade Facilitation by International Standards Achieved

**SECTION 1 : EXPENDITURE PROGRAM  
(in pesos)**

| No./ Code       | GASS / STO / OPERATIONS / PROJECTS | 2014 Actual        | 2015 Current       | 2016 Proposed      |
|-----------------|------------------------------------|--------------------|--------------------|--------------------|
| 000001000000000 | General Administration and Support | <u>540,509,000</u> | <u>481,457,000</u> | <u>631,910,000</u> |
|                 | PS                                 | 373,145,000        | 168,053,000        | 314,435,000        |
|                 | MOOE                               | 167,364,000        | 308,341,000        | 316,075,000        |
|                 | CO                                 |                    | 5,063,000          | 1,400,000          |

|                     |            |               |               |               |
|---------------------|------------|---------------|---------------|---------------|
| 00000300000000      | Operations | 1,663,701,000 | 2,654,762,000 | 2,479,558,000 |
|                     | PS         | 1,044,644,000 | 1,010,532,000 | 1,022,498,000 |
|                     | MOOE       | 619,057,000   | 1,422,396,000 | 1,454,260,000 |
|                     | CO         |               | 221,834,000   | 2,800,000     |
|                     | Projects   |               | 354,322,000   | 100,000,000   |
|                     | CO         |               | 354,322,000   | 100,000,000   |
| TOTAL AGENCY BUDGET |            | 2,204,210,000 | 3,490,541,000 | 3,211,468,000 |
|                     | PS         | 1,417,789,000 | 1,178,585,000 | 1,336,933,000 |
|                     | MOOE       | 786,421,000   | 1,730,737,000 | 1,770,335,000 |
|                     | CO         |               | 581,219,000   | 104,200,000   |

## STAFFING SUMMARY

|                                      | 2014  | 2015  | 2016  |
|--------------------------------------|-------|-------|-------|
| TOTAL STAFFING                       |       |       |       |
| Total Number of Authorized Positions | 6,264 | 6,264 | 6,264 |
| Total Number of Filled Positions     | 3,479 | 3,479 | 3,479 |

## OPERATIONS BY MFO

|                                       | PROPOSED 2016 |               |           |               |
|---------------------------------------|---------------|---------------|-----------|---------------|
|                                       | PS            | MOOE          | CO        | TOTAL         |
| MFO 1: COLLECTION OF DUTIES AND TAXES | 935,629,000   | 1,109,756,000 | 2,800,000 | 2,048,185,000 |

SECTION 2 : EXPENDITURE PROGRAM BY CENTRAL / REGIONAL ALLOCATION, 2016  
(in pesos)

| REGION                                       | PS            | MOOE          | CO          | TOTAL         |
|----------------------------------------------|---------------|---------------|-------------|---------------|
| CENTRAL OFFICE                               | 485,906,000   | 1,122,350,000 | 104,200,000 | 1,712,456,000 |
| Regional Allocation (net of Central Office): | 750,880,000   | 303,481,000   |             | 1,054,361,000 |
| National Capital Region (NCR)                | 520,884,000   | 151,870,000   |             | 672,754,000   |
| Region I - Ilocos                            | 12,067,000    | 15,176,000    |             | 27,243,000    |
| Region II - Cagayan Valley                   | 2,612,000     | 2,912,000     |             | 5,524,000     |
| Region III - Central Luzon                   | 29,626,000    | 15,374,000    |             | 45,000,000    |
| Region IVA - CALABARZON                      | 18,131,000    | 14,168,000    |             | 32,299,000    |
| Region V - Bicol                             | 10,352,000    | 4,226,000     |             | 14,578,000    |
| Region VI - Western Visayas                  | 10,782,000    | 11,173,000    |             | 21,955,000    |
| Region VII - Central Visayas                 | 37,890,000    | 16,571,000    |             | 54,461,000    |
| Region VIII - Eastern Visayas                | 14,538,000    | 14,132,000    |             | 28,670,000    |
| Region IX - Zamboanga Peninsula              | 14,872,000    | 4,871,000     |             | 19,743,000    |
| Region X - Northern Mindanao                 | 33,661,000    | 10,677,000    |             | 44,338,000    |
| Region XI - Davao                            | 32,386,000    | 35,538,000    |             | 67,924,000    |
| Region XIII - CARAGA                         | 13,079,000    | 6,793,000     |             | 19,872,000    |
| TOTAL AGENCY BUDGET                          | 1,236,786,000 | 1,425,831,000 | 104,200,000 | 2,766,817,000 |

## SECTION 3 : SPECIAL PROVISION(S)

1. Super Green Lane Fund. In addition to the amounts appropriated herein, the amount of Thirty Six Million Pesos (P36,000,000) shall be used for the maintenance and improvement of the operations of the Super Green Lane Facility, including the Automated Customs Operation System and related computer systems sourced from service fees collected from importers utilizing the Facility.



Release of funds shall be subject to the submission of a Special Budget pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292.

The BOC shall submit to the DBM, the House Committee on Appropriations and the Senate Committee on Finance, either in printed form or by way of electronic document, quarterly reports on financial and physical accomplishments. The Commissioner of Customs and the Bureau's web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are likewise posted on the BOC website.

2. Non-Intrusive Container Inspection System Project Fund. In addition to the amounts appropriated herein, the amount of Three Hundred Eight Million Five Hundred Four Thousand Pesos (P308,504,000) shall be used for the maintenance, improvement and upgrading of the Non-Intrusive Container Inspection System sourced from the mandatory container security fee imposed on every 40 and 20-footer container or twenty equivalent units under the System.

Release of funds shall be subject to the submission of a Special Budget pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292.

The BOC shall submit to the DBM, the House Committee on Appropriations and the Senate Committee on Finance, either in printed form or by way of electronic document, quarterly reports on financial and physical accomplishments. The Commissioner of Customs and the Bureau's web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are likewise posted on the BOC website.

3. Tax Refund. The amount of Six Billion Five Hundred Thirty Two Million Four Hundred Seventy Five Thousand Pesos (P6,532,475,000) shall be used for the:

(a) Refund of input value-added tax (VAT) on importations attributable to zero-rated transactions in accordance with Section 112 of R.A. No. 8424, as amended; and

(b) Monetization of the VAT component of outstanding Duty Drawback Tax Credit Certificates (TCCs) as part of the TCC Monetization Program.

Said amount, sourced from the current year's revenue tax collections of the BOC shall be deposited with the National Treasury and recorded as trust receipts, subject to the: (i) COA audit for payment of tax refunds; (ii) adjustment of the report on the current year's revenue tax collections of the BOC equivalent to the tax refunds for current and prior years; and (iii) reversion of any unutilized amount at the end of the year to the unappropriated surplus of the General Fund pursuant to Section 45, Chapter 5, Book VI of E.O. No. 292.

The BOC shall submit to the DBM, the House Committee on Appropriations and Senate Committee on Finance, either in printed form or by way of electronic document, quarterly reports on the amount of tax refunds and the recipient taxpayers. The Commissioner of Customs and the Bureau's web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are likewise posted on the BOC website.

4. Informer's Reward. A reward of ten percent (10%) of the fair market value of the smuggled and confiscated goods or One Million Pesos (P1,000,000) per case, whichever is lower, may be given as informer's reward to persons instrumental in the discovery and seizure of such goods, except all public officials, whether incumbent or retired, who acquired the information in the course of the performance of their duties during their incumbency in accordance with Section 282 (B) of R.A. No. 8424.

Said amount, sourced from the proceeds of smuggled and confiscated goods shall be deposited with the National Treasury and recorded as trust receipts.

The BOC shall submit to the DBM, the House Committee on Appropriations and the Senate Committee on Finance, either in printed form or by way of electronic document, quarterly reports on the amount of informer's reward paid and the list of beneficiaries. The Commissioner of Customs and the Bureau's web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are likewise posted on the BOC website.

5. Disposition of Forfeited Motor Transport Equipment and other Articles. Motor transport equipment and other articles forfeited or abandoned in favor of the government shall be sold at public auction by the DOF upon recommendation of the Commissioner of Customs. The proceeds of the sale shall be deposited with the National Treasury as income of the General Fund in accordance with Section 44, Chapter 5, Book VI of E.O. No. 292.

Any government agency participating in said auction shall pay out of its programmed budget for the purpose, subject to the rules and regulations on the acquisition and use of government motor vehicles.

The Commissioner of Customs and the Bureau's web administrator or his/her equivalent shall be responsible for ensuring that the list of forfeited or abandoned motor transport equipment and other articles that have been sold in auction are posted on the BOC website.

6. Appropriations for Programs and Specific Activities. The amounts appropriated herein for the programs of the agency shall be used specifically for the following activities in the indicated amounts and conditions:

## SECTION 4 : PERFORMANCE INFORMATION

## KEY STRATEGIES :

| ORGANIZATIONAL OUTCOMES (Oos) / PERFORMANCE INDICATORS (PIs)                                                                | Baseline | 2016 Targets                                                                                                                                              |
|-----------------------------------------------------------------------------------------------------------------------------|----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Revenue Collection Improved</b><br>Collection targets increased                                                          |          | 10% increase in the actual cash collection over last year<br><br>40% increase in the proceeds of sale from forfeited and abandoned goods over last year   |
| <b>Secured Trade Facilitation by International Standards Achieved</b><br>Ranking/Rating in cargo clearance process improved |          | Number of documents on exports and imports decreased:<br></=5 export docs;<br></=6 import docs<br><br>Run after the Smugglers (RATS) cases filed annually |

| MFO / PIs                                                                                                               | 2016 Targets |
|-------------------------------------------------------------------------------------------------------------------------|--------------|
| <b>MFO 1: COLLECTION OF DUTIES AND TAXES</b>                                                                            |              |
| Collection Performance                                                                                                  |              |
| Amount of duties and taxes                                                                                              | P456,458 M   |
| Number of entries filed containing commercial goods                                                                     | 670,000      |
| Estimated potential customs tax effort                                                                                  | 3.5%         |
| Percentage of inspections resulting in 10% or greater increase in assessment of duties or taxes                         | 2%           |
| Percentage of customers whose goods are cleared that rate the service as good or better                                 | 100%         |
| Percentage of prosecutions that result in a favourable judgment for Government                                          | -            |
| Percentage of imported goods cleared within 10 days from filing of import declaration                                   | 100%         |
| Passenger Processing                                                                                                    |              |
| Number of inspections that result in detection of one or more irregularities                                            | 6,000        |
| Percentage of passengers and crew who rate the service as good or better                                                | 90%          |
| Percentage of prosecutions that result in a favourable judgment for Government                                          | 80%          |
| Percentage of arriving international passengers and crew processed within 30 minutes of baggage presentation to customs | 90%          |
| Enforcement                                                                                                             |              |
| Number of enforcement actions (alerts) undertaken                                                                       | 240          |
| Percentage of actions that result in favourable judgement                                                               | 85%          |
| Percentage of shipment selected and physically examined or x-rayed resulting to seizures                                | 15%          |
| Percentage of enforcement actions (alerts) completed within 30 days from issuance of alert orders                       | 100%         |
| Exports and Warehouse Operations                                                                                        |              |
| Volume of imported goods entered for warehousing and to special economic zones                                          | 210,000 MT   |
| Percentage of customers who report irregularities with respect to their stored goods                                    | 0%           |
| Percentage of customers who rate the service as good or better                                                          | 85%          |
| Percentage of customers who rate timeliness of access to facilities as good or better                                   | 90%          |
| Percentage of shipments entered for warehousing legally withdrawn for various puposes within the prescribed period      | 10%          |

Appropriations/Obligations

(In Thousand Pesos)

| <u>Description</u>                                         | <u>2014</u> | <u>2015</u> | <u>2016</u> |
|------------------------------------------------------------|-------------|-------------|-------------|
| New General Appropriations                                 | 1,939,435   | 3,055,920   | 2,766,817   |
| General Fund<br>R.A. No. 10633                             | 1,939,435   | 3,055,920   | 2,766,817   |
| Automatic Appropriations                                   | 382,681     | 434,621     | 444,651     |
| Retirement and Life Insurance Premiums                     | 104,133     | 100,151     | 100,147     |
| Special Account                                            | 278,548     | 334,470     | 344,504     |
| Continuing Appropriations                                  | 274,186     | 318,050     |             |
| Unobligated Releases for MOOE<br>R.A. No. 10352            | 274,186     |             |             |
| R.A. No. 10633                                             |             | 318,050     |             |
| Budgetary Adjustment(s)                                    | 192,849     |             |             |
| Transfer(s) from:<br>Miscellaneous Personnel Benefits Fund | 16,780      |             |             |
| Pension and Gratuity Fund                                  | 176,069     |             |             |
| Total Available Appropriations                             | 2,789,151   | 3,808,591   | 3,211,468   |
| Unused Appropriations                                      | ( 584,941)  | ( 318,050)  |             |
| Unobligated Allotment                                      | ( 584,941)  | ( 318,050)  |             |
| TOTAL OBLIGATIONS                                          | 2,204,210   | 3,490,541   | 3,211,468   |

Proposed New Appropriations Language  
 For general administration and support, and operations, as indicated hereunder.....P 2,766,817,000  
 =====

New Appropriations, by Programs/Activities/Projects, by Operating Units

|                                                                  | <u>Current Operating Expenditures</u> |                                                 |                        |               |
|------------------------------------------------------------------|---------------------------------------|-------------------------------------------------|------------------------|---------------|
|                                                                  | <u>Personnel Services</u>             | <u>Maintenance and Other Operating Expenses</u> | <u>Capital Outlays</u> | <u>Total</u>  |
| PROGRAMS                                                         |                                       |                                                 |                        |               |
| 000001000000000 General Administration and Support               | 301,157,000                           | 316,075,000                                     | 1,400,000              | 618,632,000   |
| 103001000100000 General management and supervision               | P 160,309,000                         | P 316,075,000                                   | P 1,400,000            | P 477,784,000 |
| National Capital Region (NCR)                                    | 87,774,000                            | 232,491,000                                     | 1,400,000              | 321,665,000   |
| Central Office                                                   | 56,709,000                            | 173,744,000                                     | 1,400,000              | 231,853,000   |
| Collection District II - A - Port of Manila                      | 13,760,000                            | 30,497,000                                      |                        | 44,257,000    |
| Collection District II - B - Manila International Container Port | 6,362,000                             | 13,973,000                                      |                        | 20,335,000    |
| Collection District III - Ninoy Aquino International Airport     | 10,943,000                            | 14,277,000                                      |                        | 25,220,000    |

|                                                |                   |                   |                   |
|------------------------------------------------|-------------------|-------------------|-------------------|
| Region I - Ilocos                              | <u>4,206,000</u>  | <u>4,722,000</u>  | <u>8,928,000</u>  |
| Collection District I - Port of San Fernando   | 4,206,000         | 4,722,000         | 8,928,000         |
| Region II - Cagayan Valley                     | <u>1,599,000</u>  | <u>1,601,000</u>  | <u>3,200,000</u>  |
| Collection District XV - Port of Aparri        | 1,599,000         | 1,601,000         | 3,200,000         |
| Region III - Central Luzon                     | <u>21,608,000</u> | <u>4,811,000</u>  | <u>26,419,000</u> |
| Collection District XIII - Port of Subic       | 8,193,000         | 2,375,000         | 10,568,000        |
| Collection District XIV - Port of Clark        | 10,959,000        | 1,639,000         | 12,598,000        |
| Collection District XVI - Port of Limay        | 2,456,000         | 797,000           | 3,253,000         |
| Region IVA - CALABARZON                        | <u>5,318,000</u>  | <u>7,212,000</u>  | <u>12,530,000</u> |
| Collection District IV - Port of Batangas      | 5,318,000         | 7,212,000         | 12,530,000        |
| Region V - Bicol                               | <u>4,339,000</u>  | <u>1,871,000</u>  | <u>6,210,000</u>  |
| Collection District V - Port of Legaspi        | 4,339,000         | 1,871,000         | 6,210,000         |
| Region VI - Western Visayas                    | <u>2,084,000</u>  | <u>7,779,000</u>  | <u>9,863,000</u>  |
| Collection District VI - Port of Iloilo        | 2,084,000         | 7,779,000         | 9,863,000         |
| Region VII - Central Visayas                   | <u>6,020,000</u>  | <u>6,100,000</u>  | <u>12,120,000</u> |
| Collection District VII - Port of Cebu         | 6,020,000         | 6,100,000         | 12,120,000        |
| Region VIII - Eastern Visayas                  | <u>4,925,000</u>  | <u>11,522,000</u> | <u>16,447,000</u> |
| Collection District VIII - Port of Tacloban    | 4,925,000         | 11,522,000        | 16,447,000        |
| Region IX - Zamboanga Peninsula                | <u>4,182,000</u>  | <u>3,648,000</u>  | <u>7,830,000</u>  |
| Collection District XI - Port of Zamboanga     | 4,182,000         | 3,648,000         | 7,830,000         |
| Region X - Northern Mindanao                   | <u>5,347,000</u>  | <u>4,460,000</u>  | <u>9,807,000</u>  |
| Collection District X - Port of Cagayan de Oro | 5,347,000         | 4,460,000         | 9,807,000         |
| Region XI - Davao                              | <u>8,643,000</u>  | <u>25,731,000</u> | <u>34,374,000</u> |
| Collection District XII - Port of Davao        | 8,643,000         | 25,731,000        | 34,374,000        |
| Region XIII - CARAGA                           | <u>4,264,000</u>  | <u>4,127,000</u>  | <u>8,391,000</u>  |
| Collection District IX - Port of Surigao       | 4,264,000         | 4,127,000         | 8,391,000         |

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|                 |                                                                  |                    |                      |                                          |
|-----------------|------------------------------------------------------------------|--------------------|----------------------|------------------------------------------|
| 103001000200000 | Administration of Personnel Benefits                             | <u>140,848,000</u> |                      | <u>140,848,000</u>                       |
|                 | National Capital Region (NCR)                                    | <u>140,848,000</u> |                      | <u>140,848,000</u>                       |
|                 | Central Office                                                   | <u>140,848,000</u> |                      | <u>140,848,000</u>                       |
|                 | Sub-total, General Administration and Support                    | <u>301,157,000</u> | <u>316,075,000</u>   | <u>1,400,000</u><br><u>618,632,000</u>   |
| 000003000000000 | Operations                                                       | <u>935,629,000</u> | <u>1,109,756,000</u> | <u>2,800,000</u><br><u>2,048,185,000</u> |
| 000003010000000 | MFO 1: COLLECTION OF DUTIES AND TAXES                            | <u>935,629,000</u> | <u>1,109,756,000</u> | <u>2,800,000</u><br><u>2,048,185,000</u> |
| 101003010100000 | Legal Services                                                   | <u>98,717,000</u>  | <u>225,373,000</u>   | <u>1,400,000</u><br><u>325,490,000</u>   |
|                 | National Capital Region (NCR)                                    | <u>94,713,000</u>  | <u>222,379,000</u>   | <u>1,400,000</u><br><u>318,492,000</u>   |
|                 | Central Office                                                   | <u>93,086,000</u>  | <u>220,525,000</u>   | <u>1,400,000</u><br><u>315,011,000</u>   |
|                 | Collection District II - A - Port of Manila                      |                    | <u>762,000</u>       | <u>762,000</u>                           |
|                 | Collection District II - B - Manila International Container Port |                    | <u>540,000</u>       | <u>540,000</u>                           |
|                 | Collection District III - Ninoy Aquino International Airport     | <u>1,627,000</u>   | <u>552,000</u>       | <u>2,179,000</u>                         |
|                 | Region I - Ilocos                                                |                    | <u>129,000</u>       | <u>129,000</u>                           |
|                 | Collection District I - Port of San Fernando                     |                    | <u>129,000</u>       | <u>129,000</u>                           |
|                 | Region III - Central Luzon                                       | <u>2,716,000</u>   | <u>147,000</u>       | <u>2,863,000</u>                         |
|                 | Collection District XIII - Port of Subic                         | <u>2,716,000</u>   | <u>147,000</u>       | <u>2,863,000</u>                         |
|                 | Region IVA - CALABARZON                                          | <u>354,000</u>     | <u>821,000</u>       | <u>1,175,000</u>                         |
|                 | Collection District IV - Port of Batangas                        | <u>354,000</u>     | <u>821,000</u>       | <u>1,175,000</u>                         |
|                 | Region VII - Central Visayas                                     |                    | <u>316,000</u>       | <u>316,000</u>                           |
|                 | Collection District VII - Port of Cebu                           |                    | <u>316,000</u>       | <u>316,000</u>                           |
|                 | Region VIII - Eastern Visayas                                    |                    | <u>391,000</u>       | <u>391,000</u>                           |
|                 | Collection District VIII - Port of Tacloban                      |                    | <u>391,000</u>       | <u>391,000</u>                           |
|                 | Region IX - Zamboanga Peninsula                                  |                    | <u>10,000</u>        | <u>10,000</u>                            |
|                 | Collection District XI - Port of Zamboanga                       |                    | <u>10,000</u>        | <u>10,000</u>                            |
|                 | Region X - Northern Mindanao                                     | <u>467,000</u>     | <u>188,000</u>       | <u>655,000</u>                           |
|                 | Collection District X - Port of Cagayan de Oro                   | <u>467,000</u>     | <u>188,000</u>       | <u>655,000</u>                           |
|                 | Region XI - Davao                                                | <u>467,000</u>     | <u>905,000</u>       | <u>1,372,000</u>                         |
|                 | Collection District XII - Port of Davao                          | <u>467,000</u>     | <u>905,000</u>       | <u>1,372,000</u>                         |

|                 |                                                                  |                    |                    |                    |
|-----------------|------------------------------------------------------------------|--------------------|--------------------|--------------------|
|                 | Region XIII - CARAGA                                             |                    | <u>87,000</u>      | <u>87,000</u>      |
|                 | Collection District IX - Port of Surigao                         |                    | 87,000             | 87,000             |
| 101003010200000 | Information communication and technology support services        | <u>28,701,000</u>  | <u>351,347,000</u> | <u>380,048,000</u> |
|                 | National Capital Region (NCR)                                    | <u>28,701,000</u>  | <u>351,347,000</u> | <u>380,048,000</u> |
|                 | Central Office                                                   | 28,701,000         | 351,347,000        | 380,048,000        |
| 000003010300000 | Assessment and Collection Services                               | <u>425,697,000</u> | <u>407,615,000</u> | <u>833,312,000</u> |
| 101003010300001 | Examination and appraisal of imports                             | <u>407,804,000</u> | <u>227,027,000</u> | <u>634,831,000</u> |
|                 | National Capital Region (NCR)                                    | <u>330,666,000</u> | <u>169,775,000</u> | <u>500,441,000</u> |
|                 | Central Office                                                   | 33,346,000         | 86,707,000         | 120,053,000        |
|                 | Collection District II - A - Port of Manila                      | 132,520,000        | 50,077,000         | 182,597,000        |
|                 | Collection District II - B - Manila International Container Port | 56,034,000         | 23,395,000         | 79,429,000         |
|                 | Collection District III - Ninoy Aquino International Airport     | 108,766,000        | 9,596,000          | 118,362,000        |
|                 | Region I - Ilocos                                                | <u>3,900,000</u>   | <u>10,192,000</u>  | <u>14,092,000</u>  |
|                 | Collection District I - Port of San Fernando                     | 3,900,000          | 10,192,000         | 14,092,000         |
|                 | Region II - Cagayan Valley                                       |                    | <u>976,000</u>     | <u>976,000</u>     |
|                 | Collection District XV - Port of Aparri                          |                    | 976,000            | 976,000            |
|                 | Region III - Central Luzon                                       | <u>2,671,000</u>   | <u>9,674,000</u>   | <u>12,345,000</u>  |
|                 | Collection District XIII - Port of Subic                         | 1,526,000          | 5,063,000          | 6,589,000          |
|                 | Collection District XIV - Port of Clark                          |                    | 3,926,000          | 3,926,000          |
|                 | Collection District XVI - Port of Limay                          | 1,145,000          | 685,000            | 1,830,000          |
|                 | Region IVA - CALABARZON                                          | <u>4,782,000</u>   | <u>5,369,000</u>   | <u>10,151,000</u>  |
|                 | Collection District IV - Port of Batangas                        | 4,782,000          | 5,369,000          | 10,151,000         |
|                 | Region V - Bicol                                                 | <u>3,204,000</u>   | <u>1,588,000</u>   | <u>4,792,000</u>   |
|                 | Collection District V - Port of Legaspi                          | 3,204,000          | 1,588,000          | 4,792,000          |
|                 | Region VI - Western Visayas                                      | <u>5,604,000</u>   | <u>3,146,000</u>   | <u>8,750,000</u>   |
|                 | Collection District VI - Port of Iloilo                          | 5,604,000          | 3,146,000          | 8,750,000          |
|                 | Region VII - Central Visayas                                     | <u>18,828,000</u>  | <u>8,492,000</u>   | <u>27,320,000</u>  |
|                 | Collection District VII - Port of Cebu                           | 18,828,000         | 8,492,000          | 27,320,000         |

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|                 |                                                                             |                    |                    |                  |                    |
|-----------------|-----------------------------------------------------------------------------|--------------------|--------------------|------------------|--------------------|
|                 | Region VIII - Eastern Visayas                                               | <u>5,983,000</u>   | <u>1,758,000</u>   |                  | <u>7,741,000</u>   |
|                 | Collection District VIII - Port of Tacloban                                 | 5,983,000          | 1,758,000          |                  | 7,741,000          |
|                 | Region IX - Zamboanga Peninsula                                             | <u>8,276,000</u>   | <u>917,000</u>     |                  | <u>9,193,000</u>   |
|                 | Collection District XI - Port of Zamboanga                                  | 8,276,000          | 917,000            |                  | 9,193,000          |
|                 | Region X - Northern Mindanao                                                | <u>10,346,000</u>  | <u>5,691,000</u>   |                  | <u>16,037,000</u>  |
|                 | Collection District X - Port of Cagayan de Oro                              | 10,346,000         | 5,691,000          |                  | 16,037,000         |
|                 | Region XI - Davao                                                           | <u>9,006,000</u>   | <u>7,134,000</u>   |                  | <u>16,140,000</u>  |
|                 | Collection District XII - Port of Davao                                     | 9,006,000          | 7,134,000          |                  | 16,140,000         |
|                 | Region XIII - CARAGA                                                        | <u>4,538,000</u>   | <u>2,315,000</u>   |                  | <u>6,853,000</u>   |
|                 | Collection District IX - Port of Surigao                                    | 4,538,000          | 2,315,000          |                  | 6,853,000          |
| 101003010300002 | Coordination of the activities of the export control units of various ports | <u>10,921,000</u>  | <u>180,588,000</u> |                  | <u>191,509,000</u> |
|                 | National Capital Region (NCR)                                               | <u>10,921,000</u>  | <u>180,588,000</u> |                  | <u>191,509,000</u> |
|                 | Central Office                                                              | 10,921,000         | 180,588,000        |                  | 191,509,000        |
| 101003010300003 | Evaluation and classification of importation                                | <u>6,972,000</u>   |                    |                  | <u>6,972,000</u>   |
|                 | National Capital Region (NCR)                                               | <u>6,972,000</u>   |                    |                  | <u>6,972,000</u>   |
|                 | Central Office                                                              | 6,972,000          |                    |                  | 6,972,000          |
| 101003010400000 | Surveillance and prevention of smuggling                                    | <u>263,601,000</u> | <u>119,883,000</u> | <u>1,400,000</u> | <u>384,884,000</u> |
|                 | National Capital Region (NCR)                                               | <u>217,286,000</u> | <u>114,945,000</u> | <u>1,400,000</u> | <u>333,631,000</u> |
|                 | Central Office                                                              | 115,323,000        | 109,439,000        | 1,400,000        | 226,162,000        |
|                 | Collection District II - A - Port of Manila                                 | 75,106,000         | 1,910,000          |                  | 77,016,000         |
|                 | Collection District II - B - Manila International Container Port            | 13,440,000         | 2,717,000          |                  | 16,157,000         |
|                 | Collection District III - Ninoy Aquino International Airport                | 13,417,000         | 879,000            |                  | 14,296,000         |
|                 | Region I - Ilocos                                                           | <u>3,961,000</u>   | <u>168,000</u>     |                  | <u>4,129,000</u>   |
|                 | Collection District I - Port of San Fernando                                | 3,961,000          | 168,000            |                  | 4,129,000          |
|                 | Region II - Cagayan Valley                                                  | <u>709,000</u>     | <u>206,000</u>     |                  | <u>915,000</u>     |
|                 | Collection District XV - Port of Aparri                                     | 709,000            | 206,000            |                  | 915,000            |
|                 | Region III - Central Luzon                                                  | <u>2,089,000</u>   | <u>366,000</u>     |                  | <u>2,455,000</u>   |
|                 | Collection District XIII - Port of Subic                                    | 832,000            | 206,000            |                  | 1,038,000          |
|                 | Collection District XIV - Port of Clark                                     |                    | 160,000            |                  | 160,000            |

|                 |                                                                  |                    |                  |                    |
|-----------------|------------------------------------------------------------------|--------------------|------------------|--------------------|
|                 | Collection District XVI - Port of Limay                          | 1,257,000          |                  | 1,257,000          |
|                 | Region IVA - CALABARZON                                          | <u>3,962,000</u>   | <u>629,000</u>   | <u>4,591,000</u>   |
|                 | Collection District IV - Port of Batangas                        | 3,962,000          | 629,000          | 4,591,000          |
|                 | Region V - Bicol                                                 | <u>2,307,000</u>   | <u>505,000</u>   | <u>2,812,000</u>   |
|                 | Collection District V - Port of Legaspi                          | 2,307,000          | 505,000          | 2,812,000          |
|                 | Region VI - Western Visayas                                      | <u>3,094,000</u>   | <u>248,000</u>   | <u>3,342,000</u>   |
|                 | Collection District VI - Port of Iloilo                          | 3,094,000          | 248,000          | 3,342,000          |
|                 | Region VII - Central Visayas                                     | <u>6,205,000</u>   | <u>1,156,000</u> | <u>7,361,000</u>   |
|                 | Collection District VII - Port of Cebu                           | 6,205,000          | 1,156,000        | 7,361,000          |
|                 | Region VIII - Eastern Visayas                                    | <u>3,088,000</u>   | <u>264,000</u>   | <u>3,352,000</u>   |
|                 | Collection District VIII - Port of Tacloban                      | 3,088,000          | 264,000          | 3,352,000          |
|                 | Region IX - Zamboanga Peninsula                                  | <u>1,584,000</u>   | <u>63,000</u>    | <u>1,647,000</u>   |
|                 | Collection District XI - Port of Zamboanga                       | 1,584,000          | 63,000           | 1,647,000          |
|                 | Region X - Northern Mindanao                                     | <u>10,943,000</u>  | <u>187,000</u>   | <u>11,130,000</u>  |
|                 | Collection District X - Port of Cagayan de Oro                   | 10,943,000         | 187,000          | 11,130,000         |
|                 | Region XI - Davao                                                | <u>5,541,000</u>   | <u>979,000</u>   | <u>6,520,000</u>   |
|                 | Collection District XII - Port of Davao                          | 5,541,000          | 979,000          | 6,520,000          |
|                 | Region XIII - CARAGA                                             | <u>2,832,000</u>   | <u>167,000</u>   | <u>2,999,000</u>   |
|                 | Collection District IX - Port of Surigao                         | 2,832,000          | 167,000          | 2,999,000          |
| 101003010500000 | Warehousing Services                                             | <u>118,913,000</u> | <u>5,538,000</u> | <u>124,451,000</u> |
|                 | National Capital Region (NCR)                                    | <u>88,909,000</u>  | <u>2,695,000</u> | <u>91,604,000</u>  |
|                 | Collection District II - A - Port of Manila                      | 61,752,000         | 1,317,000        | 63,069,000         |
|                 | Collection District II - B - Manila International Container Port | 7,681,000          | 354,000          | 8,035,000          |
|                 | Collection District III - Ninoy Aquino International Airport     | 19,476,000         | 1,024,000        | 20,500,000         |
|                 | Region I - Ilocos                                                |                    | <u>94,000</u>    | <u>94,000</u>      |
|                 | Collection District I - Port of San Fernando                     |                    | 94,000           | 94,000             |
|                 | Region II - Cagayan Valley                                       | <u>304,000</u>     |                  | <u>304,000</u>     |
|                 | Collection District XV - Port of Aparri                          | 304,000            |                  | 304,000            |



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|                                                                       |                    |                      |                                       |
|-----------------------------------------------------------------------|--------------------|----------------------|---------------------------------------|
| Region III - Central Luzon                                            | <u>542,000</u>     | <u>376,000</u>       | <u>918,000</u>                        |
| Collection District XIII - Port of Subic                              | 542,000            | 278,000              | 820,000                               |
| Collection District XIV - Port of Clark                               |                    | 98,000               | 98,000                                |
| Region IVA - CALABARZON                                               | <u>3,715,000</u>   | <u>137,000</u>       | <u>3,852,000</u>                      |
| Collection District IV - Port of Batangas                             | 3,715,000          | 137,000              | 3,852,000                             |
| Region V - Bicol                                                      | <u>502,000</u>     | <u>262,000</u>       | <u>764,000</u>                        |
| Collection District V - Port of Legaspi                               | 502,000            | 262,000              | 764,000                               |
| Region VII - Central Visayas                                          | <u>6,837,000</u>   | <u>507,000</u>       | <u>7,344,000</u>                      |
| Collection District VII - Port of Cebu                                | 6,837,000          | 507,000              | 7,344,000                             |
| Region VIII - Eastern Visayas                                         | <u>542,000</u>     | <u>197,000</u>       | <u>739,000</u>                        |
| Collection District VIII - Port of Tacloban                           | 542,000            | 197,000              | 739,000                               |
| Region IX - Zamboanga Peninsula                                       | <u>830,000</u>     | <u>233,000</u>       | <u>1,063,000</u>                      |
| Collection District XI - Port of Zamboanga                            | 830,000            | 233,000              | 1,063,000                             |
| Region X - Northern Mindanao                                          | <u>6,558,000</u>   | <u>151,000</u>       | <u>6,709,000</u>                      |
| Collection District X - Port of Cagayan de Oro                        | 6,558,000          | 151,000              | 6,709,000                             |
| Region XI - Davao                                                     | <u>8,729,000</u>   | <u>789,000</u>       | <u>9,518,000</u>                      |
| Collection District XII - Port of Davao                               | 8,729,000          | 789,000              | 9,518,000                             |
| Region XIII - CARAGA                                                  | <u>1,445,000</u>   | <u>97,000</u>        | <u>1,542,000</u>                      |
| Collection District IX - Port of Surigao                              | 1,445,000          | 97,000               | 1,542,000                             |
| Sub-total, Operations                                                 | <u>935,629,000</u> | <u>1,109,756,000</u> | <u>2,800,000</u> <u>2,048,185,000</u> |
| TOTAL PROGRAMS AND ACTIVITIES                                         | P 1,236,786,000    | P 1,425,831,000      | P 4,200,000    P 2,666,817,000        |
|                                                                       | =====              | =====                | =====                                 |
| 0000040000000000 Locally-Funded Projects                              |                    |                      | <u>100,000,000</u> <u>100,000,000</u> |
| 0000040100000000 Buildings and Other Structures                       |                    |                      | <u>100,000,000</u> <u>100,000,000</u> |
| 0000040105000000 Government Buildings                                 |                    |                      | <u>100,000,000</u> <u>100,000,000</u> |
| 1030040105000002 Construction of Customs Building at the Port of Cebu |                    |                      | <u>100,000,000</u> <u>100,000,000</u> |
| National Capital Region (NCR)                                         |                    |                      | <u>100,000,000</u> <u>100,000,000</u> |
| Central Office                                                        |                    |                      | <u>100,000,000</u> <u>100,000,000</u> |
| Sub-total, Locally-Funded Project(s)                                  |                    |                      | <u>100,000,000</u> <u>100,000,000</u> |
| TOTAL PROJECTS                                                        |                    |                      | P 100,000,000    P 100,000,000        |
|                                                                       |                    |                      | =====                                 |
| TOTAL NEW APPROPRIATIONS                                              | P 1,236,786,000    | P 1,425,831,000      | P 104,200,000    P 2,766,817,000      |
|                                                                       | =====              | =====                | =====                                 |

Obligations, by Object of ExpendituresCYs 2014-2016  
(In Thousand Pesos)

|                                                       | 2014             | 2015             | 2016             |
|-------------------------------------------------------|------------------|------------------|------------------|
| Current Operating Expenditures                        |                  |                  |                  |
| Personnel Services                                    |                  |                  |                  |
| Civilian Personnel                                    |                  |                  |                  |
| Permanent Positions                                   |                  |                  |                  |
| Basic Salary                                          | 867,791          | 834,559          | 834,556          |
| Total Permanent Positions                             | 867,791          | 834,559          | 834,556          |
| Other Compensation Common to All                      |                  |                  |                  |
| Personnel Economic Relief Allowance                   | 86,400           | 83,496           | 83,496           |
| Representation Allowance                              | 7,896            | 7,242            | 7,242            |
| Transportation Allowance                              | 7,896            | 7,242            | 7,242            |
| Clothing and Uniform Allowance                        | 18,000           | 17,395           | 17,395           |
| Productivity Incentive Allowance                      | 7,200            | 6,958            | 6,958            |
| Year End Bonus                                        | 72,317           | 69,553           | 69,543           |
| Cash Gift                                             | 18,000           | 17,395           | 17,395           |
| Step Increment                                        | 2,169            | 2,085            | 4,653            |
| Productivity Enhancement Incentive                    | 16,780           | 17,395           | 17,395           |
| Total Other Compensation Common to All                | 236,658          | 211,366          | 224,361          |
| Other Compensation for Specific Groups                |                  |                  |                  |
| Magna Carta for Public Health Workers                 | 136              |                  | 155              |
| Magna Carta for Public Social Workers                 |                  | 5,926            | 90               |
| Quarters Allowance                                    | 6,720            | 6,720            | 8,251            |
| Total Other Compensation for Specific Groups          | 6,856            | 12,646           | 8,496            |
| Other Benefits                                        |                  |                  |                  |
| Retirement and Life Insurance Premiums                | 104,133          | 100,151          | 100,147          |
| PAG-IBIG Contributions                                | 4,321            | 4,177            | 4,177            |
| PhilHealth Contributions                              | 9,356            | 9,015            | 9,007            |
| Employees Compensation Insurance Premiums             | 4,313            | 4,169            | 4,169            |
| Retirement Gratuity                                   | 7,624            |                  | 42,938           |
| Terminal Leave                                        | 168,445          |                  | 97,910           |
| Total Other Benefits                                  | 298,192          | 117,512          | 258,348          |
| Non-Permanent Positions                               | 2,502            | 2,502            | 2,502            |
| Military/Uniformed Personnel                          |                  |                  |                  |
| Other Compensation Common to All                      |                  |                  |                  |
| Subsistence Allowance                                 | 5,790            |                  | 8,670            |
| Total Other Compensation Common to All                | 5,790            |                  | 8,670            |
| <b>TOTAL PERSONNEL SERVICES</b>                       | <b>1,417,789</b> | <b>1,178,585</b> | <b>1,336,933</b> |
| Maintenance and Other Operating Expenses              |                  |                  |                  |
| Travelling Expenses                                   | 18,888           | 87,783           | 83,631           |
| Training and Scholarship Expenses                     | 3,298            | 31,350           | 38,350           |
| Supplies and Materials Expenses                       | 70,532           | 219,174          | 236,892          |
| Utility Expenses                                      | 116,306          | 216,307          | 234,873          |
| Communication Expenses                                | 33,931           | 154,022          | 158,711          |
| Confidential, Intelligence and Extraordinary Expenses |                  |                  |                  |
| Confidential Expenses                                 | 4,307            | 19,500           | 19,500           |
| Extraordinary and Miscellaneous Expenses              | 5,376            | 6,739            | 6,739            |
| Professional Services                                 | 62,373           | 95,408           | 95,408           |
| General Services                                      | 26,924           | 179,163          | 179,163          |
| Repairs and Maintenance                               | 406,149          | 650,031          | 655,385          |
| Taxes, Insurance Premiums and Other Fees              | 2,119            | 8,857            | 8,857            |
| Other Maintenance and Operating Expenses              |                  |                  |                  |
| Advertising Expenses                                  | 1,498            | 1,880            | 4,080            |
| Printing and Publication Expenses                     | 27,328           | 36,910           | 23,547           |
| Transportation and Delivery Expenses                  | 311              | 5,338            | 6,924            |

|                                                       |                  |                  |                  |
|-------------------------------------------------------|------------------|------------------|------------------|
| Rent/Lease Expenses                                   | 6,596            | 9,405            | 9,405            |
| Subscription Expenses                                 | 485              | 1,670            | 1,670            |
| Other Maintenance and Operating Expenses              |                  | 7,200            | 7,200            |
| <b>TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES</b> | <u>786,421</u>   | <u>1,730,737</u> | <u>1,770,335</u> |
| <b>TOTAL CURRENT OPERATING EXPENDITURES</b>           | <u>2,204,210</u> | <u>2,909,322</u> | <u>3,107,268</u> |
| <b>Capital Outlays</b>                                |                  |                  |                  |
| Property, Plant and Equipment Outlay                  |                  |                  |                  |
| Land Outlay                                           |                  |                  | 42,500           |
| Buildings and Other Structures                        |                  | 81,700           | 57,500           |
| Machinery and Equipment Outlay                        |                  | 498,048          |                  |
| Transportation Equipment Outlay                       |                  |                  | 4,200            |
| Furniture, Fixtures and Books Outlay                  |                  | 1,471            |                  |
| <b>TOTAL CAPITAL OUTLAYS</b>                          |                  | <u>581,219</u>   | <u>104,200</u>   |
| <b>GRAND TOTAL</b>                                    | <u>2,204,210</u> | <u>3,490,541</u> | <u>3,211,468</u> |

**C. BUREAU OF INTERNAL REVENUE****STRATEGIC OBJECTIVES**

|                               |                                                                                                                                                                                                                                                                                                                                                                        |
|-------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>MANDATE</b>                | : The BIR is mandated by law to assess and collect all national internal revenue taxes, fees and charges, and to enforce all forfeitures, penalties and fines connected therewith, including the execution of judgements in all cases decided in its favor by the Court of Tax Appeals and the ordinary courts. (Sec. 2 of the National Internal Revenue Code of 1997) |
| <b>VISION</b>                 | : The Bureau of Internal Revenue is an institution of service excellence, a partner in nation-building, manned by globally competitive professionals with integrity and patriotism.                                                                                                                                                                                    |
| <b>MISSION</b>                | : The Bureau of Internal Revenue is committed to collect taxes for nation-building through excellent, efficient and transparent service, just and fair enforcement of tax laws, uplifting the life of every Filipino.                                                                                                                                                  |
| <b>KEY RESULT AREAS</b>       | : Anti-Corruption, Transparent, Accountable and Participatory Governance                                                                                                                                                                                                                                                                                               |
| <b>SECTOR OUTCOME</b>         | : Fiscal Strength                                                                                                                                                                                                                                                                                                                                                      |
| <b>ORGANIZATIONAL OUTCOME</b> | : 1. Internal Revenue Collection Improved                                                                                                                                                                                                                                                                                                                              |

**SECTION 1 : EXPENDITURE PROGRAM  
(in pesos)**

| No./ Code                  | GASS / STO / OPERATIONS / PROJECTS | 2014 Actual          | 2015 Current         | 2016 Proposed         |
|----------------------------|------------------------------------|----------------------|----------------------|-----------------------|
| 000001000000000            | General Administration and Support | 1,914,553,000        | 1,838,968,000        | 5,533,089,000         |
|                            | PS                                 | 1,171,639,000        | 508,839,000          | 617,728,000           |
|                            | MOOE                               | 503,951,000          | 673,132,000          | 716,910,000           |
|                            | FinEx                              | 169,631,000          | 157,796,000          | 149,899,000           |
|                            | CO                                 | 69,332,000           | 499,201,000          | 4,048,552,000         |
| 000003000000000            | Operations                         | 4,653,018,000        | 5,883,576,000        | 5,777,332,000         |
|                            | PS                                 | 3,075,842,000        | 3,216,513,000        | 3,094,815,000         |
|                            | MOOE                               | 1,574,179,000        | 2,599,236,000        | 2,682,487,000         |
|                            | CO                                 | 2,989,000            | 67,827,000           | 30,000                |
|                            | Projects                           | 47,800,000           | 271,410,000          |                       |
|                            | MOOE                               | 8,769,000            |                      |                       |
|                            | CO                                 | 39,031,000           | 271,410,000          |                       |
| <b>TOTAL AGENCY BUDGET</b> |                                    | <u>6,615,371,000</u> | <u>7,993,954,000</u> | <u>11,310,421,000</u> |
|                            | PS                                 | 4,247,481,000        | 3,725,352,000        | 3,712,543,000         |
|                            | MOOE                               | 2,086,899,000        | 3,272,368,000        | 3,399,397,000         |
|                            | FinEx                              | 169,639,000          | 157,796,000          | 149,899,000           |
|                            | CO                                 | 111,352,000          | 838,438,000          | 4,048,582,000         |

## STAFFING SUMMARY

|                                      | 2014   | 2015   | 2016   |
|--------------------------------------|--------|--------|--------|
| TOTAL STAFFING                       |        |        |        |
| Total Number of Authorized Positions | 21,392 | 21,392 | 21,392 |
| Total Number of Filled Positions     | 9,809  | 9,344  | 9,344  |

| OPERATIONS BY MFO              | PROPOSED 2016 |               |        |               |
|--------------------------------|---------------|---------------|--------|---------------|
|                                | PS            | MOOE          | CO     | TOTAL         |
| MFO 1: TAX COLLECTION SERVICES | 2,825,174,000 | 2,682,487,000 | 30,000 | 5,507,691,000 |

**SECTION 2 : EXPENDITURE PROGRAM BY CENTRAL / REGIONAL ALLOCATION, 2016  
(in pesos)**

| REGION                                       | PS            | MOOE          | FinEx       | CO            | TOTAL          |
|----------------------------------------------|---------------|---------------|-------------|---------------|----------------|
| CENTRAL OFFICE                               | 964,490,000   | 217,709,000   |             |               | 1,182,199,000  |
| Regional Allocation (net of Central Office): | 2,439,403,000 | 3,181,688,000 | 149,899,000 | 3,631,446,000 | 9,402,436,000  |
| National Capital Region (NCR)                | 821,894,000   | 2,215,215,000 | 149,798,000 | 3,631,446,000 | 6,818,353,000  |
| Region I - Ilocos                            | 122,975,000   | 63,645,000    | 10,000      |               | 186,630,000    |
| Cordillera Administrative Region (CAR)       | 90,091,000    | 39,852,000    | 5,000       |               | 129,948,000    |
| Region II - Cagayan Valley                   | 76,877,000    | 57,656,000    | 10,000      |               | 134,543,000    |
| Region III - Central Luzon                   | 141,684,000   | 127,613,000   | 20,000      |               | 269,317,000    |
| Region IVA - CALABARZON                      | 197,503,000   | 101,632,000   | 5,000       |               | 299,140,000    |
| Region V - Bicol                             | 104,855,000   | 47,014,000    | 5,000       |               | 151,874,000    |
| Region VI - Western Visayas                  | 186,415,000   | 135,489,000   | 10,000      |               | 321,914,000    |
| Region VII - Central Visayas                 | 131,420,000   | 66,159,000    | 5,000       |               | 197,584,000    |
| Region VIII - Eastern Visayas                | 106,180,000   | 60,126,000    | 5,000       |               | 166,311,000    |
| Region IX - Zamboanga Peninsula              | 89,670,000    | 50,067,000    |             |               | 139,737,000    |
| Region X - Northern Mindanao                 | 115,102,000   | 63,720,000    | 8,000       |               | 178,830,000    |
| Region XI - Davao                            | 86,494,000    | 68,775,000    | 10,000      |               | 155,279,000    |
| Region XII - SOCCSKSARGEN                    | 98,694,000    | 51,302,000    | 8,000       |               | 150,004,000    |
| Region XIII - CARAGA                         | 69,549,000    | 33,423,000    |             |               | 102,972,000    |
| TOTAL AGENCY BUDGET                          | 3,403,893,000 | 3,399,397,000 | 149,899,000 | 3,631,446,000 | 10,584,635,000 |

## SECTION 3 : SPECIAL PROVISION(S)

- One Percent (1%) Share in Taxes on Locally-manufactured Virginia-type Cigarettes. In addition to the amounts appropriated herein, Three Hundred Fifteen Million Four Hundred Thirty One Thousand Pesos (P315,431,000) shall be used for the purchase of materials, apparatus and equipment for the efficient enforcement of tax laws and collection of taxes sourced from one percent (1%) share in the taxes on locally-manufactured Virginia-type cigarettes in accordance with R.A. No. 5447.

Release of funds shall be subject to the submission of a Special Budget pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292.

The BIR shall submit to the DBM, the House Committee on Appropriations and the Senate Committee on Finance, either in printed form or by way of electronic document, quarterly reports on the financial and physical accomplishments. The Commissioner of Internal Revenue and the Bureau's web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are likewise posted on the BIR website.

- Bank Penalties. In addition to the amounts appropriated herein, the amount of One Hundred One Million Seven Hundred Five Thousand Pesos (P101,705,000) shall be used for programs, activities and projects of the BIR to improve its tax collections sourced from penalties for delayed remittances by banks.

Release of funds shall be subject to the submission of a Special Budget pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292.

The BIR shall submit to the DBM, the House Committee on Appropriations and the Senate Committee on Finance, either in printed form or by way of electronic document, quarterly reports on financial and physical accomplishments. The Commissioner of Internal Revenue and the Bureau's web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are likewise posted on the BIR website.

3. Tax Refund. The amount of Eight Billion Five Hundred Million Pesos (P8,500,000,000) shall be used for the:

(a) Refund of excess or erroneous collection of value-added tax (VAT) and other internal revenue taxes in accordance with Section 229 of R.A. No. 8424;

(b) Cash conversion of valid and unexpired Tax Credit Certificates (TCCs) in accordance with Section 204 of R.A. No. 8424;

(c) Refund of input taxes attributable to zero-rated or effectively zero-rated transactions under Section 112 of R.A. No. 8424, as amended; and

(d) Monetization of VAT TCCs as part of the TCC Monetization Program.

Said amount, sourced from the current year's revenue tax collections of the BIR shall be deposited with the National Treasury and recorded as trust receipts, subject to the following: (i) COA audit for payment of tax refunds; (ii) adjustment of the report on the current year's revenue tax collections of the BIR equivalent to the tax refunds for current and prior years; and (iii) reversion of any unutilized amount at the end of the year to the unappropriated surplus of the General Fund in accordance with Section 45, Chapter 5, Book VI of E.O. No. 292.

The BIR shall submit to the DBM, the House Committee on Appropriations and Senate Committee on Finance, either in printed form or by way of electronic document, quarterly reports on the amount of tax refunds and the recipient taxpayers. The Commissioner of Internal Revenue and the Bureau's web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are likewise posted on the BIR website.

4. Informer's Reward. A reward of ten percent (10%) of the revenues, surcharges or fees recovered and/or fines or penalties imposed for violations of R.A. No. 8424 or One Million Pesos (P1,000,000) per case, whichever is lower, may be given as informer's reward to persons instrumental in the discovery and seizure of such goods, except all public officials, whether incumbent or retired, who acquired the information in the course of the performance of their duties during their incumbency and their relatives within the sixth degree of consanguinity in accordance with Section 282 (A) of R.A. No. 8424.

Said amount, sourced from the revenues, surcharges or fees recovered and/or fines or penalties imposed shall be deposited with the National Treasury and recorded as trust receipts.

The BIR shall submit to the DBM, the House Committee on Appropriations and the Senate Committee on Finance, either in printed form or by way of electronic document, quarterly reports on the amount of informer's reward paid and the list of beneficiaries. The Commissioner of Internal Revenue and the Bureau's web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are likewise posted on the BIR website.

5. Fines and Penalties. Of the amounts appropriated herein for MOOE, Fifty Million Pesos (P50,000,000) shall be used to fund the requirements of the Tax Receipt Raffle Program sourced from the income generated from fines and penalties for violation of printing and issuance of official receipts.

Release of funds shall be subject to the submission of a Special Budget pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292.

The BIR shall submit to the DBM, the House Committee on Appropriations and the Senate Committee on Finance, either in printed form or by way of electronic document, quarterly reports on financial and physical accomplishments. The Commissioner of Internal Revenue and the Bureau's web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are likewise posted on the BIR website.

6. Appropriations for Programs and Specific Activities. The amounts appropriated herein for the programs of the agency shall be used specifically for the following activities in the indicated amounts and conditions:

**SECTION 4 : PERFORMANCE INFORMATION**

**KEY STRATEGIES :**

1. Attained collection targets and sustained collection growth;
2. Improved taxpayer satisfaction and compliance;
3. Strengthen Good Governance;
4. Improve assistance, compliance and enforcement process;
5. Improve integrity and accuracy of taxpayer database;
6. Improve integrity, competence, professionalism, and satisfaction of human resources;
7. Improve knowledge management; and
8. Optimize management of resources.

| ORGANIZATIONAL OUTCOMES (OOs) / PERFORMANCE INDICATORS (PIs)              | Baseline                   | 2016 Targets                                                                    |
|---------------------------------------------------------------------------|----------------------------|---------------------------------------------------------------------------------|
| <b>Internal Revenue Collection Improved</b><br>Collection Target Attained | 2012: 99.23%, 2013: 97.05% | +/- 2% (P1.723B) (based on Medium Term Revenue Program as of December 18, 2013) |

|                                                                                                  |                                               |                                                             |
|--------------------------------------------------------------------------------------------------|-----------------------------------------------|-------------------------------------------------------------|
| Percentage in Number of New Registered Business<br>TPs Increased (Individual and Non-Individual) | 2012: 7.59%, 2013: 8.11%                      | 10%                                                         |
| Frequency of Filing of RATE Cases with the<br>Department of Justice (DOJ)                        | 2012: 57 cases filed, 2013:<br>64 cases filed | 3 cases filed per month<br>(36 cases filed for the<br>year) |

|                                                                                                          |                              |
|----------------------------------------------------------------------------------------------------------|------------------------------|
| <u>MFO / PIs</u>                                                                                         | <u>2016 Targets</u>          |
| MFO 1: TAX COLLECTION SERVICES<br>Collection performance (+/-2% of the Agency Goal)<br>Collection growth | P2,072,564,000,000<br>19.57% |

Appropriations/Obligations

(In Thousand Pesos)

| <u>Description</u>                       | <u>2014</u>  | <u>2015</u>  | <u>2016</u> |
|------------------------------------------|--------------|--------------|-------------|
| New General Appropriations               | 6,952,251    | 7,250,295    | 10,584,635  |
| General Fund                             |              | 7,250,295    | 10,584,635  |
| R.A. No. 10633                           | 6,952,251    |              |             |
| Automatic Appropriations                 | 333,822      | 743,659      | 725,786     |
| Retirement and Life Insurance Premiums   | 333,822      | 326,523      | 308,650     |
| Special Account                          |              | 417,136      | 417,136     |
| Continuing Appropriations                | 958,236      | 1,416,066    |             |
| Unreleased Appropriation for MOOE        |              |              |             |
| R.A. No. 10633                           |              | 71,287       |             |
| Unobligated Releases for Capital Outlays |              |              |             |
| R.A. No. 10352                           | 108,229      |              |             |
| R.A. No. 10633                           |              | 61,320       |             |
| Unobligated Releases for MOOE            |              |              |             |
| R.A. No. 10352                           | 850,007      |              |             |
| R.A. No. 10633                           |              | 1,283,459    |             |
| Budgetary Adjustment(s)                  | 699,811      |              |             |
| Transfer(s) from:                        |              |              |             |
| Miscellaneous Personnel Benefits Fund    | 137,806      |              |             |
| Pension and Gratuity Fund                | 563,233      |              |             |
| Transfer(s) to:                          |              |              |             |
| Department of Health (DOH)               |              |              |             |
| Office of the Secretary                  | ( 1,228)     |              |             |
| Total Available Appropriations           | 8,944,120    | 9,410,020    | 11,310,421  |
| Unused Appropriations                    | ( 2,328,749) | ( 1,416,066) |             |
| Unreleased Appropriation                 | ( 71,287)    | ( 71,287)    |             |
| Unobligated Allotment                    | ( 2,257,462) | ( 1,344,779) |             |
| TOTAL OBLIGATIONS                        | 6,615,371    | 7,993,954    | 11,310,421  |
|                                          | =====        | =====        | =====       |

Proposed New Appropriations Language

For general administration and support, and operations, including locally-funded project as indicated hereunder.....  
 .....P 10,584,635,000  
 =====

## New Appropriations, by Programs/Activities/Projects, by Operating Units

|                                                               | Current Operating Expenditures |                                                   |                       |                    |                 |
|---------------------------------------------------------------|--------------------------------|---------------------------------------------------|-----------------------|--------------------|-----------------|
|                                                               | Personnel<br>Services          | Maintenance<br>and Other<br>Operating<br>Expenses | Financial<br>Expenses | Capital<br>Outlays | Total           |
| PROGRAMS                                                      |                                |                                                   |                       |                    |                 |
| 000001000000000 General Administration and Support            | 578,719,000                    | 716,910,000                                       | 149,899,000           | 3,631,416,000      | 5,076,944,000   |
| 103001000100000 General Management and Supervision            | P 367,134,000                  | P 656,642,000                                     | P 149,899,000         | P 3,631,392,000    | P 4,805,067,000 |
| National Capital Region (NCR)                                 | 208,539,000                    | 348,243,000                                       | 149,798,000           | 3,631,392,000      | 4,337,972,000   |
| Central Office                                                | 154,157,000                    | 157,441,000                                       | 149,783,000           | 3,631,392,000      | 4,092,773,000   |
| Revenue Regional Office V - Caloocan City                     | 11,733,000                     | 12,778,000                                        | 5,000                 |                    | 24,516,000      |
| Revenue Regional Office VI - Manila                           | 16,017,000                     | 56,180,000                                        |                       |                    | 72,197,000      |
| Revenue Regional Office VII - Quezon City                     | 16,061,000                     | 37,937,000                                        | 5,000                 |                    | 54,003,000      |
| Revenue Regional Office VIII - Makati City                    | 10,571,000                     | 83,907,000                                        | 5,000                 |                    | 94,483,000      |
| Region I - Ilocos                                             | 8,879,000                      | 11,787,000                                        | 10,000                |                    | 20,676,000      |
| Revenue Regional Office I - Calasiao, Pangasinan              | 8,879,000                      | 11,787,000                                        | 10,000                |                    | 20,676,000      |
| Cordillera Administrative Region (CAR)                        | 12,887,000                     | 11,227,000                                        | 5,000                 |                    | 24,119,000      |
| Revenue Regional Office II - Cordillera Administrative Region | 12,887,000                     | 11,227,000                                        | 5,000                 |                    | 24,119,000      |
| Region II - Cagayan Valley                                    | 10,764,000                     | 18,777,000                                        | 10,000                |                    | 29,551,000      |
| Revenue Regional Office III - Tuguegarao, Cagayan             | 10,764,000                     | 18,777,000                                        | 10,000                |                    | 29,551,000      |
| Region III - Central Luzon                                    | 12,913,000                     | 42,707,000                                        | 20,000                |                    | 55,640,000      |
| Revenue Regional Office IV - San Fernando, Pampanga           | 12,913,000                     | 42,707,000                                        | 20,000                |                    | 55,640,000      |
| Region IVA - CALABARZON                                       | 12,072,000                     | 27,519,000                                        | 5,000                 |                    | 39,596,000      |
| Revenue Regional Office IX - San Pablo City                   | 12,072,000                     | 27,519,000                                        | 5,000                 |                    | 39,596,000      |
| Region V - Bicol                                              | 11,126,000                     | 9,083,000                                         | 5,000                 |                    | 20,214,000      |
| Revenue Regional Office X - Legaspi City                      | 11,126,000                     | 9,083,000                                         | 5,000                 |                    | 20,214,000      |
| Region VI - Western Visayas                                   | 17,889,000                     | 55,034,000                                        | 10,000                |                    | 72,933,000      |
| Revenue Regional Office XI - Iloilo City                      | 7,086,000                      | 22,310,000                                        | 5,000                 |                    | 29,401,000      |
| Revenue Regional Office XII - Bacolod City                    | 10,803,000                     | 32,724,000                                        | 5,000                 |                    | 43,532,000      |
| Region VII - Central Visayas                                  | 13,171,000                     | 34,278,000                                        | 5,000                 |                    | 47,454,000      |
| Revenue Regional Office XIII - Cebu City                      | 13,171,000                     | 34,278,000                                        | 5,000                 |                    | 47,454,000      |

|                 |                                                                                                                      |                    |                    |                    |                      |
|-----------------|----------------------------------------------------------------------------------------------------------------------|--------------------|--------------------|--------------------|----------------------|
|                 | Region VIII - Eastern Visayas                                                                                        | <u>10,400,000</u>  | <u>13,903,000</u>  | <u>5,000</u>       | <u>24,308,000</u>    |
|                 | Revenue Regional Office XIV -<br>Tacloban City                                                                       | 10,400,000         | 13,903,000         | 5,000              | 24,308,000           |
|                 | Region IX - Zamboanga Peninsula                                                                                      | <u>9,439,000</u>   | <u>21,026,000</u>  |                    | <u>30,465,000</u>    |
|                 | Revenue Regional Office XV -<br>Zamboanga City                                                                       | 9,439,000          | 21,026,000         |                    | 30,465,000           |
|                 | Region X - Northern Mindanao                                                                                         | <u>9,587,000</u>   | <u>13,589,000</u>  | <u>8,000</u>       | <u>23,184,000</u>    |
|                 | Revenue Regional Office XVI -<br>Cagayan de Oro City                                                                 | 9,587,000          | 13,589,000         | 8,000              | 23,184,000           |
|                 | Region XI - Davao                                                                                                    | <u>7,422,000</u>   | <u>19,643,000</u>  | <u>10,000</u>      | <u>27,075,000</u>    |
|                 | Revenue Regional Office XIX -<br>Davao City                                                                          | 7,422,000          | 19,643,000         | 10,000             | 27,075,000           |
|                 | Region XII - SOCCSKSARGEN                                                                                            | <u>12,288,000</u>  | <u>20,245,000</u>  | <u>8,000</u>       | <u>32,541,000</u>    |
|                 | Revenue Regional Office XVIII -<br>Koronadal City                                                                    | 12,288,000         | 20,245,000         | 8,000              | 32,541,000           |
|                 | Region XIII - CARAGA                                                                                                 | <u>9,758,000</u>   | <u>9,581,000</u>   |                    | <u>19,339,000</u>    |
|                 | Revenue Regional Office XVII -<br>Butuan City                                                                        | 9,758,000          | 9,581,000          |                    | 19,339,000           |
| 103001000200000 | Human Resource Development                                                                                           | <u>35,709,000</u>  | <u>17,703,000</u>  | <u>6,000</u>       | <u>53,418,000</u>    |
|                 | National Capital Region (NCR)                                                                                        | <u>35,709,000</u>  | <u>17,703,000</u>  | <u>6,000</u>       | <u>53,418,000</u>    |
|                 | Central Office                                                                                                       | 35,709,000         | 17,703,000         | 6,000              | 53,418,000           |
| 103001000300000 | Planning and Policy Formulation                                                                                      | <u>16,995,000</u>  | <u>6,779,000</u>   | <u>6,000</u>       | <u>23,780,000</u>    |
|                 | National Capital Region (NCR)                                                                                        | <u>16,995,000</u>  | <u>6,779,000</u>   | <u>6,000</u>       | <u>23,780,000</u>    |
|                 | Central Office                                                                                                       | 16,995,000         | 6,779,000          | 6,000              | 23,780,000           |
| 103001000400000 | Investigation and prosecution<br>of administrative cases filed against revenue<br>personnel and the security program | <u>8,743,000</u>   | <u>34,242,000</u>  | <u>6,000</u>       | <u>42,991,000</u>    |
|                 | National Capital Region (NCR)                                                                                        | <u>8,743,000</u>   | <u>34,242,000</u>  | <u>6,000</u>       | <u>42,991,000</u>    |
|                 | Central Office                                                                                                       | 8,743,000          | 34,242,000         | 6,000              | 42,991,000           |
| 103001000500000 | Collation, analysis,<br>monitoring, generation and development of<br>internal revenue statistics                     | <u>7,017,000</u>   | <u>1,544,000</u>   | <u>6,000</u>       | <u>8,567,000</u>     |
|                 | National Capital Region (NCR)                                                                                        | <u>7,017,000</u>   | <u>1,544,000</u>   | <u>6,000</u>       | <u>8,567,000</u>     |
|                 | Central Office                                                                                                       | 7,017,000          | 1,544,000          | 6,000              | 8,567,000            |
| 103001000600000 | Administration of Personnel<br>Benefits                                                                              | <u>143,121,000</u> |                    |                    | <u>143,121,000</u>   |
|                 | National Capital Region (NCR)                                                                                        | <u>143,121,000</u> |                    |                    | <u>143,121,000</u>   |
|                 | Central Office                                                                                                       | 143,121,000        |                    |                    | 143,121,000          |
|                 | Sub-total, General Administration and Support                                                                        | <u>578,719,000</u> | <u>716,910,000</u> | <u>149,899,000</u> | <u>3,631,416,000</u> |
|                 |                                                                                                                      |                    |                    |                    | <u>5,076,944,000</u> |



## 120 EXPENDITURE PROGRAM FY 2016 VOLUME II

|                 |                                                                                                                                                                                                      |                      |                      |               |                      |
|-----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|----------------------|---------------|----------------------|
| 000003000000000 | Operations                                                                                                                                                                                           | <u>2,825,174,000</u> | <u>2,682,487,000</u> | <u>30,000</u> | <u>5,507,691,000</u> |
| 000003010000000 | MFO 1: TAX COLLECTION SERVICES                                                                                                                                                                       | <u>2,825,174,000</u> | <u>2,682,487,000</u> | <u>30,000</u> | <u>5,507,691,000</u> |
| 101003010100000 | Formulation, coordination, monitoring and evaluation of collection and assessment services, including formulation of procedures and policies on tax fraud investigations and intelligence operations | <u>102,486,000</u>   | <u>35,547,000</u>    | <u>6,000</u>  | <u>138,039,000</u>   |
|                 | National Capital Region (NCR)                                                                                                                                                                        | <u>102,486,000</u>   | <u>35,547,000</u>    | <u>6,000</u>  | <u>138,039,000</u>   |
|                 | Central Office                                                                                                                                                                                       | <u>102,486,000</u>   | <u>35,547,000</u>    | <u>6,000</u>  | <u>138,039,000</u>   |
| 101003010200000 | Issuance of tax rulings, decisions on appealed cases and assistance in the prosecution of civil and criminal cases                                                                                   | <u>69,889,000</u>    | <u>21,669,000</u>    | <u>6,000</u>  | <u>91,564,000</u>    |
|                 | National Capital Region (NCR)                                                                                                                                                                        | <u>69,889,000</u>    | <u>21,669,000</u>    | <u>6,000</u>  | <u>91,564,000</u>    |
|                 | Central Office                                                                                                                                                                                       | <u>69,889,000</u>    | <u>21,669,000</u>    | <u>6,000</u>  | <u>91,564,000</u>    |
| 101003010300000 | Implementation of the tax information and education program                                                                                                                                          | <u>26,649,000</u>    | <u>64,072,000</u>    | <u>6,000</u>  | <u>90,727,000</u>    |
|                 | National Capital Region (NCR)                                                                                                                                                                        | <u>26,649,000</u>    | <u>64,072,000</u>    | <u>6,000</u>  | <u>90,727,000</u>    |
|                 | Central Office                                                                                                                                                                                       | <u>26,649,000</u>    | <u>64,072,000</u>    | <u>6,000</u>  | <u>90,727,000</u>    |
| 101003010400000 | Enforcement of Internal Revenue Laws                                                                                                                                                                 | <u>2,483,730,000</u> | <u>1,448,727,000</u> | <u>6,000</u>  | <u>3,932,463,000</u> |
|                 | National Capital Region (NCR)                                                                                                                                                                        | <u>1,024,816,000</u> | <u>782,507,000</u>   | <u>6,000</u>  | <u>1,807,329,000</u> |
|                 | Central Office                                                                                                                                                                                       | <u>257,304,000</u>   | <u>304,410,000</u>   | <u>6,000</u>  | <u>561,720,000</u>   |
|                 | Revenue Regional Office V - Caloocan City                                                                                                                                                            | <u>119,948,000</u>   | <u>83,923,000</u>    |               | <u>203,871,000</u>   |
|                 | Revenue Regional Office VI - Manila                                                                                                                                                                  | <u>192,745,000</u>   | <u>59,353,000</u>    |               | <u>252,098,000</u>   |
|                 | Revenue Regional Office VII - Quezon City                                                                                                                                                            | <u>259,995,000</u>   | <u>212,210,000</u>   |               | <u>472,205,000</u>   |
|                 | Revenue Regional Office VIII - Makati City                                                                                                                                                           | <u>194,824,000</u>   | <u>122,611,000</u>   |               | <u>317,435,000</u>   |
|                 | Region I - Ilocos                                                                                                                                                                                    | <u>114,096,000</u>   | <u>51,858,000</u>    |               | <u>165,954,000</u>   |
|                 | Revenue Regional Office I - Calasiao, Pangasinan                                                                                                                                                     | <u>114,096,000</u>   | <u>51,858,000</u>    |               | <u>165,954,000</u>   |
|                 | Cordillera Administrative Region (CAR)                                                                                                                                                               | <u>77,204,000</u>    | <u>28,625,000</u>    |               | <u>105,829,000</u>   |
|                 | Revenue Regional Office II - Cordillera Administrative Region                                                                                                                                        | <u>77,204,000</u>    | <u>28,625,000</u>    |               | <u>105,829,000</u>   |
|                 | Region II - Cagayan Valley                                                                                                                                                                           | <u>66,113,000</u>    | <u>38,879,000</u>    |               | <u>104,992,000</u>   |
|                 | Revenue Regional Office III - Tuguegarao, Cagayan                                                                                                                                                    | <u>66,113,000</u>    | <u>38,879,000</u>    |               | <u>104,992,000</u>   |
|                 | Region III - Central Luzon                                                                                                                                                                           | <u>128,771,000</u>   | <u>84,906,000</u>    |               | <u>213,677,000</u>   |
|                 | Revenue Regional Office IV - San Fernando, Pampanga                                                                                                                                                  | <u>128,771,000</u>   | <u>84,906,000</u>    |               | <u>213,677,000</u>   |
|                 | Region IVA - CALABARZON                                                                                                                                                                              | <u>185,431,000</u>   | <u>82,259,000</u>    |               | <u>267,690,000</u>   |
|                 | Revenue Regional Office IX - San Pablo City                                                                                                                                                          | <u>185,431,000</u>   | <u>82,259,000</u>    |               | <u>267,690,000</u>   |

|                                                                            |                    |                      |               |                      |
|----------------------------------------------------------------------------|--------------------|----------------------|---------------|----------------------|
| Region V - Bicol                                                           | <u>93,729,000</u>  | <u>37,931,000</u>    |               | <u>131,660,000</u>   |
| Revenue Regional Office X -<br>Legaspi City                                | 93,729,000         | 37,931,000           |               | 131,660,000          |
| Region VI - Western Visayas                                                | <u>168,526,000</u> | <u>75,716,000</u>    |               | <u>244,242,000</u>   |
| Revenue Regional Office XI -<br>Iloilo City                                | 92,546,000         | 29,449,000           |               | 121,995,000          |
| Revenue Regional Office XII -<br>Bacolod City                              | 75,980,000         | 46,267,000           |               | 122,247,000          |
| Region VII - Central Visayas                                               | <u>118,249,000</u> | <u>36,620,000</u>    |               | <u>154,869,000</u>   |
| Revenue Regional Office XIII -<br>Cebu City                                | 118,249,000        | 36,620,000           |               | 154,869,000          |
| Region VIII - Eastern Visayas                                              | <u>95,780,000</u>  | <u>46,223,000</u>    |               | <u>142,003,000</u>   |
| Revenue Regional Office XIV -<br>Tacloban City                             | 95,780,000         | 46,223,000           |               | 142,003,000          |
| Region IX - Zamboanga Peninsula                                            | <u>80,231,000</u>  | <u>29,041,000</u>    |               | <u>109,272,000</u>   |
| Revenue Regional Office XV -<br>Zamboanga City                             | 80,231,000         | 29,041,000           |               | 109,272,000          |
| Region X - Northern Mindanao                                               | <u>105,515,000</u> | <u>50,131,000</u>    |               | <u>155,646,000</u>   |
| Revenue Regional Office XVI -<br>Cagayan de Oro City                       | 105,515,000        | 50,131,000           |               | 155,646,000          |
| Region XI - Davao                                                          | <u>79,072,000</u>  | <u>49,132,000</u>    |               | <u>128,204,000</u>   |
| Revenue Regional Office XIX -<br>Davao City                                | 79,072,000         | 49,132,000           |               | 128,204,000          |
| Region XII - SOCCSKSARGEN                                                  | <u>86,406,000</u>  | <u>31,057,000</u>    |               | <u>117,463,000</u>   |
| Revenue Regional Office XVIII -<br>Koronadal City                          | 86,406,000         | 31,057,000           |               | 117,463,000          |
| Region XIII - CARAGA                                                       | <u>59,791,000</u>  | <u>23,842,000</u>    |               | <u>83,633,000</u>    |
| Revenue Regional Office XVII -<br>Butuan City                              | 59,791,000         | 23,842,000           |               | 83,633,000           |
| 101003010500000 Revenue Information Systems<br>Development and Maintenance | <u>142,420,000</u> | <u>1,112,472,000</u> | <u>6,000</u>  | <u>1,254,898,000</u> |
| National Capital Region (NCR)                                              | <u>142,420,000</u> | <u>1,112,472,000</u> | <u>6,000</u>  | <u>1,254,898,000</u> |
| Central Office                                                             | <u>142,420,000</u> | <u>1,112,472,000</u> | <u>6,000</u>  | <u>1,254,898,000</u> |
| Sub-total, Operations                                                      | 2,825,174,000      | 2,682,487,000        | 30,000        | 5,507,691,000        |
| TOTAL NEW APPROPRIATIONS                                                   | P 3,403,893,000    | P 3,399,397,000      | P 149,899,000 | P 3,631,446,000      |
|                                                                            | =====              | =====                | =====         | =====                |

Obligations, by Object of ExpendituresCYS 2014-2016  
(In Thousand Pesos)

|                                                | 2014             | 2015             | 2016             |
|------------------------------------------------|------------------|------------------|------------------|
| Current Operating Expenditures                 |                  |                  |                  |
| Personnel Services                             |                  |                  |                  |
| Civilian Personnel                             |                  |                  |                  |
| Permanent Positions                            |                  |                  |                  |
| Basic Salary                                   | 2,491,503        | 2,721,069        | 2,572,077        |
| Total Permanent Positions                      | <u>2,491,503</u> | <u>2,721,069</u> | <u>2,572,077</u> |
| Other Compensation Common to All               |                  |                  |                  |
| Personnel Economic Relief Allowance            | 216,495          | 235,680          | 224,256          |
| Representation Allowance                       | 23,950           | 18,726           | 15,540           |
| Transportation Allowance                       | 11,420           | 18,726           | 15,540           |
| Clothing and Uniform Allowance                 | 44,885           | 49,100           | 46,720           |
| Productivity Incentive Allowance               | 18,579           | 19,640           |                  |
| Honoraria                                      | 354              |                  |                  |
| Overtime Pay                                   | 21,019           |                  | 1,000            |
| Year End Bonus                                 | 205,240          | 226,757          | 214,335          |
| Cash Gift                                      | 44,654           | 49,100           | 46,720           |
| Step Increment                                 | 15,322           | 6,801            | 13,322           |
| Productivity Enhancement Incentive             | 44,256           |                  | 46,720           |
| Performance Based Bonus                        | 91,726           |                  |                  |
| Total Other Compensation Common to All         | <u>737,900</u>   | <u>624,530</u>   | <u>624,153</u>   |
| Other Compensation for Specific Groups         |                  |                  |                  |
| Magna Carta for Public Health Workers          |                  | 161              | 161              |
| Longevity Pay                                  | 81               |                  |                  |
| Other Personnel Benefits                       | 109,661          |                  | 13,965           |
| Total Other Compensation for Specific Groups   | <u>109,742</u>   | <u>161</u>       | <u>14,126</u>    |
| Other Benefits                                 |                  |                  |                  |
| Retirement and Life Insurance Premiums         | 299,412          | 326,523          | 308,650          |
| PAG-IBIG Contributions                         | 10,917           | 11,785           | 11,215           |
| PhilHealth Contributions                       | 29,632           | 29,499           | 27,986           |
| Employees Compensation Insurance Premiums      | 10,881           | 11,785           | 11,215           |
| Retirement Gratuity                            |                  |                  | 10,721           |
| Terminal Leave                                 | 557,494          |                  | 132,400          |
| Total Other Benefits                           | <u>908,336</u>   | <u>379,592</u>   | <u>502,187</u>   |
| TOTAL PERSONNEL SERVICES                       | <u>4,247,481</u> | <u>3,725,352</u> | <u>3,712,543</u> |
| Maintenance and Other Operating Expenses       |                  |                  |                  |
| Travelling Expenses                            | 203,073          | 379,054          | 335,732          |
| Training and Scholarship Expenses              | 26,126           | 50,915           | 47,145           |
| Supplies and Materials Expenses                | 375,030          | 636,390          | 591,527          |
| Utility Expenses                               | 266,752          | 340,030          | 354,147          |
| Communication Expenses                         | 79,305           | 181,311          | 173,590          |
| Survey, Research, Exploration and              |                  |                  |                  |
| Development Expenses                           | 35               |                  |                  |
| Confidential, Intelligence and Extraordinary   |                  |                  |                  |
| Expenses                                       |                  |                  |                  |
| Confidential Expenses                          | 10,000           | 10,000           | 10,000           |
| Extraordinary and Miscellaneous Expenses       | 3,778            | 3,919            | 3,919            |
| Professional Services                          | 138,865          | 149,659          | 143,439          |
| General Services                               | 350,747          | 699,739          | 767,863          |
| Repairs and Maintenance                        | 93,080           | 123,104          | 125,123          |
| Taxes, Insurance Premiums and Other Fees       | 14,705           | 23,202           | 27,025           |
| Other Maintenance and Operating Expenses       |                  |                  |                  |
| Advertising Expenses                           | 32,454           | 68,850           | 74,509           |
| Printing and Publication Expenses              | 7,364            | 5,249            | 7,001            |
| Transportation and Delivery Expenses           | 3,765            | 8,112            | 8,566            |
| Rent/Lease Expenses                            | 429,952          | 536,507          | 652,288          |
| Membership Dues and Contributions to           |                  |                  |                  |
| Organizations                                  | 133              | 444              | 408              |
| Subscription Expenses                          | 3,407            | 45,274           | 61,183           |
| Other Maintenance and Operating Expenses       | 48,328           | 10,609           | 15,932           |
| TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES | <u>2,086,899</u> | <u>3,272,368</u> | <u>3,399,397</u> |

|                                             |                  |                  |                   |
|---------------------------------------------|------------------|------------------|-------------------|
| Financial Expenses                          |                  |                  |                   |
| Interest Expenses                           | 169,504          | 157,796          | 149,759           |
| Bank Charges                                | 126              |                  | 140               |
| Other Financial Charges                     | 9                |                  |                   |
| <b>TOTAL FINANCIAL EXPENSES</b>             | <u>169,639</u>   | <u>157,796</u>   | <u>149,899</u>    |
| <b>TOTAL CURRENT OPERATING EXPENDITURES</b> | <u>6,504,019</u> | <u>7,155,516</u> | <u>7,261,839</u>  |
| Capital Outlays                             |                  |                  |                   |
| Property, Plant and Equipment Outlay        |                  |                  |                   |
| Buildings and Other Structures              | 79,616           | 432,649          | 3,315,863         |
| Machinery and Equipment Outlay              | 15,285           | 236,473          | 299,514           |
| Transportation Equipment Outlay             |                  |                  | 52,000            |
| Furniture, Fixtures and Books Outlay        | 11,752           | 128,929          | 140,020           |
| Other Property Plant and Equipment Outlay   | 2,834            | 40,387           | 20                |
| Intangible Assets Outlay                    | 1,865            |                  | 241,165           |
| <b>TOTAL CAPITAL OUTLAYS</b>                | <u>111,352</u>   | <u>838,438</u>   | <u>4,048,582</u>  |
| <b>GRAND TOTAL</b>                          | <u>6,615,371</u> | <u>7,993,954</u> | <u>11,310,421</u> |

#### D. BUREAU OF LOCAL GOVERNMENT FINANCE

##### STRATEGIC OBJECTIVES

|                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|-------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>MANDATE</b>                | : EO 127: Assist in the formulation and implementation of policies on local government revenue administration and fund management; Assist LGUs in the development and implementation of Real Property Tax Administration (RPTA) projects; Develop plans and programs for the improvement of tax collection enforcement mechanism and credit utilization schemes at the local levels; Exercise administrative and/or technical supervision over local treasury and assessment operations; Exercise line supervision over its regional offices and coordinate regional activities to maximize manpower and financial resources; and Perform such other appropriate functions as maybe assigned. |
| <b>VISION</b>                 | : The focal agency and an authority in local finance that aims to be at the forefront of local economic growth leading the way towards national development.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>MISSION</b>                | : The focal agency and an authority in local finance that aims to be at the forefront of local economic growth leading the way towards national development.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>KEY RESULT AREAS</b>       | : Anti-Corruption/Transparent, Accountable and Participatory Governance                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>SECTOR OUTCOME</b>         | : Fiscal Strength                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>ORGANIZATIONAL OUTCOME</b> | : 1. Fiscal Sustainability of LGUs strengthened                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

##### SECTION 1 : EXPENDITURE PROGRAM (in pesos)

| No. / Code                 | GASS / STO / OPERATIONS / PROJECTS | 2014 Actual        | 2015 Current       | 2016 Proposed      |
|----------------------------|------------------------------------|--------------------|--------------------|--------------------|
| 000001000000000            | General Administration and Support | 55,545,000         | 38,237,000         | 69,224,000         |
|                            | PS                                 | 36,571,000         | 18,574,000         | 17,560,000         |
|                            | MOOE                               | 18,974,000         | 19,663,000         | 33,285,000         |
|                            | CO                                 |                    |                    | 18,379,000         |
| 000003000000000            | Operations                         | 198,431,000        | 174,515,000        | 155,948,000        |
|                            | PS                                 | 156,212,000        | 116,296,000        | 111,836,000        |
|                            | MOOE                               | 42,219,000         | 43,219,000         | 44,112,000         |
|                            | CO                                 |                    | 15,000,000         |                    |
| <b>TOTAL AGENCY BUDGET</b> |                                    | <u>253,976,000</u> | <u>212,752,000</u> | <u>225,172,000</u> |
|                            | PS                                 | 192,783,000        | 134,870,000        | 129,396,000        |
|                            | MOOE                               | 61,193,000         | 62,882,000         | 77,397,000         |
|                            | CO                                 |                    | 15,000,000         | 18,379,000         |

STAFFING SUMMARY

|                                      | 2014 | 2015 | 2016 |
|--------------------------------------|------|------|------|
| TOTAL STAFFING                       |      |      |      |
| Total Number of Authorized Positions | 440  | 440  | 440  |
| Total Number of Filled Positions     | 274  | 274  | 274  |

PROPOSED 2016

| OPERATIONS BY MFO                             | PS          | MOOE       | CO | TOTAL       |
|-----------------------------------------------|-------------|------------|----|-------------|
| MFO 1: REGULATION OF LGU FINANCIAL MANAGEMENT | 102,632,000 | 44,112,000 |    | 146,744,000 |

SECTION 2 : EXPENDITURE PROGRAM BY CENTRAL / REGIONAL ALLOCATION, 2016  
(in pesos)

| REGION                                       | PS          | MOOE       | CO         | TOTAL       |
|----------------------------------------------|-------------|------------|------------|-------------|
| CENTRAL OFFICE                               | 51,926,000  | 37,709,000 | 18,379,000 | 108,014,000 |
| Regional Allocation (net of Central Office): | 66,823,000  | 39,688,000 |            | 106,511,000 |
| Region I - Ilocos                            | 6,647,000   | 3,311,000  |            | 9,958,000   |
| Cordillera Administrative Region (CAR)       | 3,821,000   | 3,325,000  |            | 7,146,000   |
| Region II - Cagayan Valley                   | 4,884,000   | 1,997,000  |            | 6,881,000   |
| Region III - Central Luzon                   | 6,476,000   | 2,235,000  |            | 8,711,000   |
| Region IVA - CALABARZON                      | 4,899,000   | 4,106,000  |            | 9,005,000   |
| Region IVB - MIMAROPA                        |             | 934,000    |            | 934,000     |
| Region V - Bicol                             | 4,765,000   | 2,912,000  |            | 7,677,000   |
| Region VI - Western Visayas                  | 4,203,000   | 2,349,000  |            | 6,552,000   |
| Region VII - Central Visayas                 | 4,013,000   | 3,253,000  |            | 7,266,000   |
| Region VIII - Eastern Visayas                | 4,408,000   | 2,809,000  |            | 7,217,000   |
| Region IX - Zamboanga Peninsula              | 3,862,000   | 2,602,000  |            | 6,464,000   |
| Region X - Northern Mindanao                 | 3,748,000   | 2,015,000  |            | 5,763,000   |
| Region XI - Davao                            | 4,680,000   | 2,676,000  |            | 7,356,000   |
| Region XII - SOCCSKSARGEN                    | 4,074,000   | 2,735,000  |            | 6,809,000   |
| Region XIII - CARAGA                         | 6,343,000   | 2,429,000  |            | 8,772,000   |
| TOTAL AGENCY BUDGET                          | 118,749,000 | 77,397,000 | 18,379,000 | 214,525,000 |

SECTION 3 : SPECIAL PROVISION(S)

1. Assessment Loan Revolving Fund. The Assessment Loan Revolving Fund shall be used for interest-free lending purposes to provinces, cities and municipalities, tax-mapping projects, periodic revisions of assessments, and other real property assessment programs sourced from the unallocated surplus of internal revenue allotments in accordance with Section 94 of P.D. No. 464, as amended by P.D. No. 1002.

Disbursements or expenditures by the Bureau of Local Government Finance (BLGF) 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, and to appropriate criminal action under existing penal laws.

The BLGF shall submit to the DBM, the House Committee on Appropriations and the Senate Committee on Finance, either in printed form or by way of electronic document, quarterly reports on income and expenditure. The Executive Director of BLGF and the Bureau's web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are likewise posted on the BLGF website.

2. Appropriations for Programs and Specific Activities. The amounts appropriated herein for the programs of the agency shall be used specifically for the following activities in the indicated amounts and conditions:

**SECTION 4 : PERFORMANCE INFORMATION**

## KEY STRATEGIES :

Supervise local assessment and treasury operations through regular monitoring of fiscal and financial performance and compliance to rules, regulations and policies

Conduct capacity building seminars on strategies and best practices to improve LGU revenue generation and resource mobilization

Formulation of opinions, guidelines, rules and regulations on local taxation and tax administration, real property assessment, financial management, credit and other forms of indebtedness

Oversee the implementation of Special Projects.

| <u>ORGANIZATIONAL OUTCOMES (OOs) / PERFORMANCE INDICATORS (PIs)</u>                                                        | <u>Baseline</u>                                                                                                       | <u>2016 Targets</u>                                                                              |
|----------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|
| <b>Fiscal Sustainability of LGUs strengthened</b>                                                                          |                                                                                                                       |                                                                                                  |
| Ratio of LGU expenditures over total income                                                                                | 2012 : 0.75                                                                                                           | Ratio is < or = 1                                                                                |
| Percentage of total actual collections of LGUs from local taxes and other locally generated revenue sources versus targets | 2012: 108.54%<br>2013: 84.33% (preliminary only since processing of SRE reports of LGUs for CY 2013 is still ongoing) | Collection efficiency is > or = 95%                                                              |
| Number of LGUs not exceeding 20% of their regular income for debt servicing (Sec. 324 (b) of RA 7160)                      | 2013: 99.3% (Actual)                                                                                                  | No. of LGUs is > or = 95% of the total number of provinces, cities and municipalities nationwide |

| <u>MFO / PIs</u>                                                                                                                                            | <u>2016 Targets</u> |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| <b>MFO 1: REGULATION OF LGU FINANCIAL MANAGEMENT</b>                                                                                                        |                     |
| Number of directives, guidance notes, policies and procedures issued                                                                                        | 459                 |
| Number of compliance reviews carried out                                                                                                                    | 2,763               |
| % of LGUs that breach one or more of the rules, directives, guidelines, policies or procedures specified by BLGF                                            | 20%                 |
| % of LGUs over the last three years with two or more breaches on one or more of the rules, directives, guidelines, policies or procedures specified by BLGF | 15%                 |
| % of LGUs subject to three or more compliance reviews in the last two years                                                                                 | 10%                 |

Appropriations/Obligations

(In Thousand Pesos)

| <u>Description</u>                     | <u>2014</u> | <u>2015</u> | <u>2016</u> |
|----------------------------------------|-------------|-------------|-------------|
| New General Appropriations             | 188,829     | 200,861     | 214,525     |
| General Fund                           |             | 200,861     | 214,525     |
| R.A. No. 10633                         | 188,829     |             |             |
| Automatic Appropriations               | 11,794      | 11,891      | 10,647      |
| Retirement and Life Insurance Premiums | 11,794      | 11,891      | 10,647      |

|                                                            |          |          |         |
|------------------------------------------------------------|----------|----------|---------|
| Continuing Appropriations                                  | 144      | 5,686    |         |
| Unobligated Releases for Capital Outlays<br>R.A. No. 10633 |          | 5,000    |         |
| Unobligated Releases for MOOE<br>R.A. No. 10352            | 144      |          |         |
| R.A. No. 10633                                             |          | 686      |         |
| Budgetary Adjustment(s)                                    | 62,106   |          |         |
| Transfer(s) from:                                          |          |          |         |
| Miscellaneous Personnel Benefits Fund                      | 4,622    |          |         |
| Pension and Gratuity Fund                                  | 57,484   |          |         |
| Total Available Appropriations                             | 262,873  | 218,438  | 225,172 |
| Unused Appropriations                                      | ( 8,897) | ( 5,686) |         |
| Unobligated Allotment                                      | ( 8,897) | ( 5,686) |         |
| TOTAL OBLIGATIONS                                          | 253,976  | 212,752  | 225,172 |
|                                                            | =====    | =====    | =====   |

Proposed New Appropriations Language  
 For general administration and support, and operations, as indicated hereunder.....P 214,525,000  
 =====

New Appropriations, by Programs/Activities/Projects, by Operating Units

|                                                                                                                                                                                                        | <u>Current Operating Expenditures</u> |                                                             |                            |              |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|-------------------------------------------------------------|----------------------------|--------------|
|                                                                                                                                                                                                        | <u>Personnel<br/>Services</u>         | <u>Maintenance<br/>and Other<br/>Operating<br/>Expenses</u> | <u>Capital<br/>Outlays</u> | <u>Total</u> |
| PROGRAMS                                                                                                                                                                                               |                                       |                                                             |                            |              |
| 000001000000000 General Administration and Support                                                                                                                                                     | 16,117,000                            | 33,285,000                                                  | 18,379,000                 | 67,781,000   |
| 103001000100000 General management and supervision                                                                                                                                                     | P 16,117,000                          | P 33,285,000                                                | P 18,379,000               | P 67,781,000 |
| National Capital Region (NCR)                                                                                                                                                                          | 14,844,000                            | 33,285,000                                                  | 18,379,000                 | 66,508,000   |
| Central Office                                                                                                                                                                                         | 14,844,000                            | 33,285,000                                                  | 18,379,000                 | 66,508,000   |
| Region III - Central Luzon                                                                                                                                                                             | 1,273,000                             |                                                             |                            | 1,273,000    |
| Regional Office - III                                                                                                                                                                                  | 1,273,000                             |                                                             |                            | 1,273,000    |
| Sub-total, General Administration and Support                                                                                                                                                          | 16,117,000                            | 33,285,000                                                  | 18,379,000                 | 67,781,000   |
| 000003000000000 Operations                                                                                                                                                                             | 102,632,000                           | 44,112,000                                                  |                            | 146,744,000  |
| 000003010000000 MFO 1: REGULATION OF LGU FINANCIAL MANAGEMENT                                                                                                                                          | 102,632,000                           | 44,112,000                                                  |                            | 146,744,000  |
| 000003010100000 Local Government Finance Policy Formulation, Monitoring and Evaluation                                                                                                                 | 102,632,000                           | 44,112,000                                                  |                            | 146,744,000  |
| 101003010100001 Development of LGU treasury and assessment operating policies, guidelines, systems and procedures including the promulgation of rulings/opinions for the proper implementation thereof | 8,082,000                             | 1,572,000                                                   |                            | 9,654,000    |
| National Capital Region (NCR)                                                                                                                                                                          | 8,082,000                             | 1,572,000                                                   |                            | 9,654,000    |
| Central Office                                                                                                                                                                                         | 8,082,000                             | 1,572,000                                                   |                            | 9,654,000    |

|                 |                                                                                                          |                   |                   |                    |
|-----------------|----------------------------------------------------------------------------------------------------------|-------------------|-------------------|--------------------|
| 101003010100002 | Conduct of revenue and assessment performance evaluation                                                 | <u>4,667,000</u>  | <u>1,289,000</u>  | <u>5,956,000</u>   |
|                 | National Capital Region (NCR)                                                                            | <u>4,667,000</u>  | <u>1,289,000</u>  | <u>5,956,000</u>   |
|                 | Central Office                                                                                           | 4,667,000         | 1,289,000         | 5,956,000          |
| 101003010100003 | Management, evaluation and monitoring of special projects on local government finance                    | <u>5,124,000</u>  | <u>1,563,000</u>  | <u>6,687,000</u>   |
|                 | National Capital Region (NCR)                                                                            | <u>5,124,000</u>  | <u>1,563,000</u>  | <u>6,687,000</u>   |
|                 | Central Office                                                                                           | 5,124,000         | 1,563,000         | 6,687,000          |
| 101003010100004 | LGU training on policies, procedures and other competency requirements of local treasurers and assessors | <u>84,759,000</u> | <u>39,688,000</u> | <u>124,447,000</u> |
|                 | National Capital Region (NCR)                                                                            | <u>19,209,000</u> |                   | <u>19,209,000</u>  |
|                 | Central Office                                                                                           | 19,209,000        |                   | 19,209,000         |
|                 | Region I - Ilocos                                                                                        | <u>6,647,000</u>  | <u>3,311,000</u>  | <u>9,958,000</u>   |
|                 | Regional Office - I                                                                                      | 6,647,000         | 3,311,000         | 9,958,000          |
|                 | Cordillera Administrative Region (CAR)                                                                   | <u>3,821,000</u>  | <u>3,325,000</u>  | <u>7,146,000</u>   |
|                 | Regional Office - CAR                                                                                    | 3,821,000         | 3,325,000         | 7,146,000          |
|                 | Region II - Cagayan Valley                                                                               | <u>4,884,000</u>  | <u>1,997,000</u>  | <u>6,881,000</u>   |
|                 | Regional Office - II                                                                                     | 4,884,000         | 1,997,000         | 6,881,000          |
|                 | Region III - Central Luzon                                                                               | <u>5,203,000</u>  | <u>2,235,000</u>  | <u>7,438,000</u>   |
|                 | Regional Office - III                                                                                    | 5,203,000         | 2,235,000         | 7,438,000          |
|                 | Region IVA - CALABARZON                                                                                  | <u>4,899,000</u>  | <u>5,040,000</u>  | <u>9,939,000</u>   |
|                 | Regional Office - IVA                                                                                    | 4,899,000         | 4,106,000         | 9,005,000          |
|                 | Regional Office - IVB                                                                                    |                   | 934,000           | 934,000            |
|                 | Region V - Bicol                                                                                         | <u>4,765,000</u>  | <u>2,912,000</u>  | <u>7,677,000</u>   |
|                 | Regional Office - V                                                                                      | 4,765,000         | 2,912,000         | 7,677,000          |
|                 | Region VI - Western Visayas                                                                              | <u>4,203,000</u>  | <u>2,349,000</u>  | <u>6,552,000</u>   |
|                 | Regional Office - VI                                                                                     | 4,203,000         | 2,349,000         | 6,552,000          |
|                 | Region VII - Central Visayas                                                                             | <u>4,013,000</u>  | <u>3,253,000</u>  | <u>7,266,000</u>   |
|                 | Regional Office - VII                                                                                    | 4,013,000         | 3,253,000         | 7,266,000          |
|                 | Region VIII - Eastern Visayas                                                                            | <u>4,408,000</u>  | <u>2,809,000</u>  | <u>7,217,000</u>   |
|                 | Regional Office - VIII                                                                                   | 4,408,000         | 2,809,000         | 7,217,000          |
|                 | Region IX - Zamboanga Peninsula                                                                          | <u>3,862,000</u>  | <u>2,602,000</u>  | <u>6,464,000</u>   |
|                 | Regional Office - IX                                                                                     | 3,862,000         | 2,602,000         | 6,464,000          |
|                 | Region X - Northern Mindanao                                                                             | <u>3,748,000</u>  | <u>2,015,000</u>  | <u>5,763,000</u>   |
|                 | Regional Office - X                                                                                      | 3,748,000         | 2,015,000         | 5,763,000          |



|                           |                  |                  |                          |
|---------------------------|------------------|------------------|--------------------------|
| Region XI - Davao         | <u>4,680,000</u> | <u>2,676,000</u> | <u>7,356,000</u>         |
| Regional Office - XI      | 4,680,000        | 2,676,000        | 7,356,000                |
| Region XII - SOCCSKSARGEN | <u>4,074,000</u> | <u>2,735,000</u> | <u>6,809,000</u>         |
| Regional Office - XII     | 4,074,000        | 2,735,000        | 6,809,000                |
| Region XIII - CARAGA      | <u>6,343,000</u> | <u>2,429,000</u> | <u>8,772,000</u>         |
| Regional Office - XIII    | 6,343,000        | 2,429,000        | 8,772,000                |
| Sub-total, Operations     | 102,632,000      | 44,112,000       | 146,744,000              |
| TOTAL NEW APPROPRIATIONS  | P 118,749,000 P  | 77,397,000 P     | 18,379,000 P 214,525,000 |
|                           | =====            | =====            | =====                    |

Obligations, by Object of Expenditures

CYs 2014-2016  
(In Thousand Pesos)

|                                              | <u>2014</u>    | <u>2015</u>    | <u>2016</u>    |
|----------------------------------------------|----------------|----------------|----------------|
| Current Operating Expenditures               |                |                |                |
| Personnel Services                           |                |                |                |
| Civilian Personnel                           |                |                |                |
| Permanent Positions                          |                |                |                |
| Basic Salary                                 | 93,381         | 99,112         | 88,722         |
| Total Permanent Positions                    | <u>93,381</u>  | <u>99,112</u>  | <u>88,722</u>  |
| Other Compensation Common to All             |                |                |                |
| Personnel Economic Relief Allowance          | 6,674          | 7,296          | 6,576          |
| Representation Allowance                     | 2,367          | 1,374          | 1,314          |
| Transportation Allowance                     | 1,678          | 1,374          | 1,314          |
| Clothing and Uniform Allowance               | 1,348          | 1,520          | 1,370          |
| Productivity Incentive Allowance             | 578            | 608            |                |
| Honoraria                                    | 75             |                |                |
| Year End Bonus                               | 6,720          | 8,259          | 7,393          |
| Cash Gift                                    | 1,160          | 1,520          | 1,370          |
| Step Increment                               |                | 246            | 429            |
| Productivity Enhancement Incentive           | 1,205          |                | 1,370          |
| Performance Based Bonus                      | 3,418          |                |                |
| Total Other Compensation Common to All       | <u>25,223</u>  | <u>22,197</u>  | <u>21,136</u>  |
| Other Compensation for Specific Groups       |                |                |                |
| Longevity Pay                                | 96             |                | 265            |
| Other Personnel Benefits                     | 5,781          |                |                |
| Total Other Compensation for Specific Groups | <u>5,877</u>   |                | <u>265</u>     |
| Other Benefits                               |                |                |                |
| Retirement and Life Insurance Premiums       | 9,323          | 11,891         | 10,647         |
| PAG-IBIG Contributions                       | 295            | 365            | 329            |
| PhilHealth Contributions                     | 906            | 940            | 844            |
| Employees Compensation Insurance Premiums    | 296            | 365            | 328            |
| Retirement Gratuity                          | 40,079         |                | 5,772          |
| Terminal Leave                               | 17,403         |                | 1,353          |
| Total Other Benefits                         | <u>68,302</u>  | <u>13,561</u>  | <u>19,273</u>  |
| TOTAL PERSONNEL SERVICES                     | <u>192,783</u> | <u>134,870</u> | <u>129,396</u> |
| Maintenance and Other Operating Expenses     |                |                |                |
| Travelling Expenses                          | 10,998         | 11,699         | 12,013         |
| Training and Scholarship Expenses            | 10,536         | 12,727         | 20,697         |
| Supplies and Materials Expenses              | 6,120          | 5,826          | 6,596          |
| Utility Expenses                             | 4,701          | 5,859          | 5,859          |
| Communication Expenses                       | 4,599          | 3,978          | 4,173          |
| Awards/Rewards and Prizes                    |                | 165            | 165            |

|                                                       |                |                |                |
|-------------------------------------------------------|----------------|----------------|----------------|
| Confidential, Intelligence and Extraordinary Expenses |                |                |                |
| Extraordinary and Miscellaneous Expenses              | 1,606          | 1,830          | 1,830          |
| Professional Services                                 | 777            | 2,911          | 7,378          |
| General Services                                      | 3,631          | 3,500          | 3,825          |
| Repairs and Maintenance                               | 1,867          | 2,074          | 2,109          |
| Taxes, Insurance Premiums and Other Fees              | 548            | 1,154          | 1,154          |
| Other Maintenance and Operating Expenses              |                |                |                |
| Advertising Expenses                                  | 735            | 2,057          | 2,057          |
| Printing and Publication Expenses                     | 369            |                |                |
| Transportation and Delivery Expenses                  | 8              |                |                |
| Rent/Lease Expenses                                   | 7,506          | 9,102          | 9,541          |
| Subscription Expenses                                 | 101            |                |                |
| Other Maintenance and Operating Expenses              | 7,091          |                |                |
| TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES        | <u>61,193</u>  | <u>62,882</u>  | <u>77,397</u>  |
| TOTAL CURRENT OPERATING EXPENDITURES                  | <u>253,976</u> | <u>197,752</u> | <u>206,793</u> |
| Capital Outlays                                       |                |                |                |
| Property, Plant and Equipment Outlay                  |                |                |                |
| Buildings and Other Structures                        |                | 15,000         |                |
| Machinery and Equipment Outlay                        |                |                | 7,265          |
| Intangible Assets Outlay                              |                |                | 11,114         |
| TOTAL CAPITAL OUTLAYS                                 |                | <u>15,000</u>  | <u>18,379</u>  |
| GRAND TOTAL                                           | <u>253,976</u> | <u>212,752</u> | <u>225,172</u> |

**E. BUREAU OF THE TREASURY****STRATEGIC OBJECTIVES**

|                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| MANDATE                | : The Bureau of the Treasury (BTr) acts as principal custodian of the National Government (NG). It makes funds available for the various programs and projects of the government. It assists in the formulation of policies on borrowing, investment and capital market development, in managing the cash resources, collecting taxes made by NG and guarantee forward cover fees due NG, and in controlling and servicing its public debt, both foreign or domestic. |
| VISION                 | : To be pro-active manager of public funds characterized by active duration management, minimization of interest rate risks and hedging of financial risks.                                                                                                                                                                                                                                                                                                           |
| MISSION                | : To efficiently and effectively manage the financial resources of government by maximizing revenues from available funds and minimizing costs of financing.                                                                                                                                                                                                                                                                                                          |
| KEY RESULT AREAS       | : Anti-corruption/transparent, accountable and participatory governance                                                                                                                                                                                                                                                                                                                                                                                               |
| SECTOR OUTCOME         | : Fiscal strength                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| ORGANIZATIONAL OUTCOME | : 1. Efficiency in cash management improved<br>2. Efficiency in debt management improved                                                                                                                                                                                                                                                                                                                                                                              |

**SECTION 1 : EXPENDITURE PROGRAM  
(in pesos)**

| No. / Code      | GASS / STO / OPERATIONS / PROJECTS | 2014 Actual          | 2015 Current       | 2016 Proposed      |
|-----------------|------------------------------------|----------------------|--------------------|--------------------|
| 000001000000000 | General Administration and Support | <u>4,949,627,000</u> | <u>229,039,000</u> | <u>203,426,000</u> |
|                 | PS                                 | 89,818,000           | 41,609,000         | 95,206,000         |
|                 | MOOE                               | 3,738,154,000        | 157,430,000        | 102,095,000        |
|                 | CO                                 | 1,121,655,000        | 30,000,000         | 6,125,000          |
| 000002000000000 | Support to Operations              | <u>61,820,000</u>    | <u>68,555,000</u>  | <u>100,269,000</u> |
|                 | PS                                 | 16,739,000           | 19,634,000         | 19,753,000         |
|                 | MOOE                               | 45,081,000           | 48,921,000         | 80,516,000         |

|                     |            |                      |                      |                      |
|---------------------|------------|----------------------|----------------------|----------------------|
| 000003000000000     | Operations | <u>376,261,000</u>   | <u>469,690,000</u>   | <u>669,017,000</u>   |
|                     | PS         | 299,406,000          | 315,296,000          | 317,204,000          |
|                     | MOOE       | 76,855,000           | 94,394,000           | 121,745,000          |
|                     | CO         |                      | 60,000,000           | 230,068,000          |
|                     | Projects   | <u>506,750,000</u>   | <u>726,603,000</u>   | <u>726,603,000</u>   |
|                     | MOOE       | 5,750,000            | 26,603,000           | 26,603,000           |
|                     | FinEx      | 501,000,000          | 700,000,000          | 700,000,000          |
| TOTAL AGENCY BUDGET |            | <u>5,894,458,000</u> | <u>1,493,887,000</u> | <u>1,699,315,000</u> |
|                     | PS         | 405,963,000          | 376,539,000          | 432,163,000          |
|                     | MOOE       | 3,865,840,000        | 327,348,000          | 330,959,000          |
|                     | FinEx      | 501,000,000          | 700,000,000          | 700,000,000          |
|                     | CO         | 1,121,655,000        | 90,000,000           | 236,193,000          |

STAFFING SUMMARY

|                                      | <u>2014</u> | <u>2015</u> | <u>2016</u> |
|--------------------------------------|-------------|-------------|-------------|
| TOTAL STAFFING                       |             |             |             |
| Total Number of Authorized Positions | 1,282       | 1,282       | 1,282       |
| Total Number of Filled Positions     | 780         | 780         | 780         |

OPERATIONS BY MFO

PROPOSED 2016

|                                   | <u>PS</u>   | <u>MOOE</u> | <u>CO</u>   | <u>TOTAL</u> |
|-----------------------------------|-------------|-------------|-------------|--------------|
| MFO 1: CASH MANAGEMENT SERVICES   | 251,248,000 | 88,820,000  | 230,068,000 | 570,136,000  |
| MFO 2: MANAGEMENT OF PUBLIC DEBTS | 38,359,000  | 32,925,000  |             | 71,284,000   |

SECTION 2 : EXPENDITURE PROGRAM BY CENTRAL / REGIONAL ALLOCATION, 2016  
(in pesos)

| REGION              | <u>PS</u>          | <u>MOOE</u>        | <u>FinEx</u>       | <u>CO</u>          | <u>TOTAL</u>         |
|---------------------|--------------------|--------------------|--------------------|--------------------|----------------------|
| CENTRAL OFFICE      | 399,263,000        | 330,959,000        | 700,000,000        | 236,193,000        | 1,666,415,000        |
| TOTAL AGENCY BUDGET | <u>399,263,000</u> | <u>330,959,000</u> | <u>700,000,000</u> | <u>236,193,000</u> | <u>1,666,415,000</u> |

SECTION 3 : SPECIAL PROVISION(S)

1. Appropriations for Programs and Specific Activities. The amounts appropriated herein for the programs of the agency shall be used specifically for the following activities in the indicated amounts and conditions:

SECTION 4 : PERFORMANCE INFORMATION

KEY STRATEGIES :

1. Maximize income earned from BTr-managed funds
2. Prudent liability management
3. Effective management of government assets
4. Enhanced business processes thru implementation of DMFAS version 6 and Treasury Single Account (TSA) Project
5. BTr Rationalization Program implemented
6. Professional Development Program pursued at BTr
7. IT systems upgraded and servers/hardware components installed for effective implementation of DMFAS version 6 and TSA
8. Internal procedures enhanced and compliant with good governance principles

| ORGANIZATIONAL OUTCOMES (Oos) / PERFORMANCE INDICATORS (PIs) | Baseline                    | 2016 Targets                                                                                                                                                                                                             |
|--------------------------------------------------------------|-----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Efficiency in cash management improved</b>                |                             |                                                                                                                                                                                                                          |
| Adequacy of cash holdings ensured                            | BSP; PhilPASS, TRAMS        | Maintain a sufficient cash buffer to cover deviations from the cash forecast*                                                                                                                                            |
| Yield/returns on cash balances of NG maximized               | Cash Operation Report (COR) | Earn at the rate of 1.5% per annum on NG cash balances<br>NG Average Interest Rate:<br>(Year, USD Rate, PHP Rate):<br>[2012, - , 2.3018%]; [2013, - , 1.5957%]; [2014, 0.0614%, 1.73%]; [Jan1-May 7, 2015, 0.09%, 2.00%] |
| <b>Efficiency in debt management improved</b>                |                             |                                                                                                                                                                                                                          |
| Interest payments relative to program maintained             | Cash Operation Report (COR) | Actual interest payments < or = latest approved program*<br>Interest Savings for 2012-2014<br>2012 - 1.53%<br>2013 - 2.65%<br>2014 - 8.90%                                                                               |
| Average Time to Maturity (ATM) maintained                    | BTr Debt Indicators         | ATM of NG debt portfolio maintained above 7 years<br>Average Maturity (residual, in years); 2012 - 2014<br>2012 - 10.96<br>2013 - 10.89<br>2014 - 11.13<br>As of March 2015 - 11.77                                      |
| % of foreign borrowings to total borrowing requirements      | Cash Operation Report (COR) | </= 25%*<br>Foreign Financing (% of total); 2012 - 2014<br>2012 - 16.4<br>2013 - 6.1<br>2014 - 26.8**                                                                                                                    |
| <b>MFO / PIs</b>                                             |                             | <b>2016 Targets</b>                                                                                                                                                                                                      |

**MFO 1: CASH MANAGEMENT SERVICES**

|                                                                       |                           |
|-----------------------------------------------------------------------|---------------------------|
| Fund the budgetary and non-budgetary expenses of NG                   |                           |
| % of replenishment of validated paid MDS checks                       | 100% replenishment        |
| NG income reports submitted within the prescribed schedule            | On time submission        |
| % of paid MDS checks replenished within the set schedule              | daily before cut-off time |
| Interest income on deposits and BSF/SSF investment (In Million Pesos) | 29,343                    |
| NG Income remitted to BTr (In Million Pesos)                          | 21,725                    |

**MFO 2: MANAGEMENT OF PUBLIC DEBTS**

|                                                                                        |                         |
|----------------------------------------------------------------------------------------|-------------------------|
| Monitor and service NG Debt                                                            |                         |
| Amount of debt service (In Million Pesos)                                              | 816,987                 |
| % of matured NG debt paid                                                              | 100% of NG debt matured |
| NG debt paid prior to due date                                                         | as NG debt fall due     |
| Issuance of government securities                                                      |                         |
| Volume of government securities issued and redeemed (in million pesos)                 | 643,228                 |
| Average interest rate for the 364-day T-bills maintained over the last three (3) years | 3%                      |
| Auction of government securities conducted as scheduled                                | as scheduled            |

Appropriations/Obligations

(In Thousand Pesos)

| <u>Description</u>                                   | <u>2014</u>  | <u>2015</u> | <u>2016</u> |
|------------------------------------------------------|--------------|-------------|-------------|
| New General Appropriations                           | 1,049,002    | 1,460,987   | 1,666,415   |
| General Fund<br>R.A. No. 10633                       | 1,049,002    | 1,460,987   | 1,666,415   |
| Automatic Appropriations                             | 5,747,029    | 32,900      | 32,900      |
| Grant Proceeds                                       | 2,062,250    |             |             |
| Customs Duties and Taxes, including Tax Expenditures | 3,652,380    |             |             |
| Retirement and Life Insurance Premiums               | 32,399       | 32,900      | 32,900      |
| Continuing Appropriations                            | 18,119       | 919,528     |             |
| Unreleased Appropriation for Capital Outlays         |              |             |             |
| R.A. No. 10652                                       |              | 639,228     |             |
| Unreleased Appropriation for MOOE                    |              |             |             |
| R.A. No. 10652                                       |              | 164,152     |             |
| Unreleased Appropriation for FinEx                   |              |             |             |
| R.A. No. 10652                                       |              | 100,407     |             |
| Unobligated Releases for MOOE                        |              |             |             |
| R.A. No. 10352                                       | 18,119       |             |             |
| R.A. No. 10633                                       |              | 15,741      |             |
| Supplemental Appropriations                          | 903,787      |             |             |
| General Fund                                         |              |             |             |
| R.A. No. 10652                                       | 903,787      |             |             |
| Budgetary Adjustment(s)                              | 1,133,931    |             |             |
| Transfer(s) from:                                    |              |             |             |
| International Commitments Fund                       | 1,077,185    |             |             |
| Miscellaneous Personnel Benefits Fund                | 10,536       |             |             |
| Pension and Gratuity Fund                            | 46,210       |             |             |
| Total Available Appropriations                       | 8,851,868    | 2,413,415   | 1,699,315   |
| Unused Appropriations                                | ( 2,957,410) | ( 919,528)  |             |
| Unreleased Appropriation                             | ( 903,787)   | ( 903,787)  |             |
| Unobligated Allotment                                | ( 2,053,623) | ( 15,741)   |             |
| TOTAL OBLIGATIONS                                    | 5,894,458    | 1,493,887   | 1,699,315   |
|                                                      | =====        | =====       | =====       |

Proposed New Appropriations Language

For general administration and support, support to operations, and operations, including locally-funded project, as indicated hereunder.....P 1,666,415,000  
=====

New Appropriations, by Programs/Activities/Projects, by Operating Units

|                 |                                    | <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>  |
| PROGRAMS        |                                    |                                       |                                                 |                           |                        |               |
| 000001000000000 | General Administration and Support | 91,631,000                            | 102,095,000                                     |                           | 6,125,000              | 199,851,000   |
| 000001000100000 | General Administration             | 38,904,000                            | 102,095,000                                     |                           | 6,125,000              | 147,124,000   |
| 103001000100001 | Central Office                     | P 38,904,000                          | P 102,095,000                                   |                           | P 6,125,000            | P 147,124,000 |

|                 |                                                                                                                          |             |             |             |             |
|-----------------|--------------------------------------------------------------------------------------------------------------------------|-------------|-------------|-------------|-------------|
|                 | National Capital Region (NCR)                                                                                            | 38,904,000  | 102,095,000 | 6,125,000   | 147,124,000 |
|                 | Central Office                                                                                                           | 38,904,000  | 102,095,000 | 6,125,000   | 147,124,000 |
| 103001000200000 | Administration of Personnel Benefits                                                                                     | 52,727,000  |             |             | 52,727,000  |
|                 | National Capital Region (NCR)                                                                                            | 52,727,000  |             |             | 52,727,000  |
|                 | Central Office                                                                                                           | 52,727,000  |             |             | 52,727,000  |
|                 | Sub-total, General Administration and Support                                                                            | 91,631,000  | 102,095,000 | 6,125,000   | 199,851,000 |
| 000002000000000 | Support to Operations                                                                                                    | 18,025,000  | 80,516,000  |             | 98,541,000  |
| 103002000100000 | Provision of legal services including the conduct of research and investigation                                          | 6,795,000   | 7,398,000   |             | 14,193,000  |
|                 | National Capital Region (NCR)                                                                                            | 6,795,000   | 7,398,000   |             | 14,193,000  |
|                 | Central Office                                                                                                           | 6,795,000   | 7,398,000   |             | 14,193,000  |
| 103002000200000 | Information systems and IT support services                                                                              | 11,230,000  | 73,118,000  |             | 84,348,000  |
|                 | National Capital Region (NCR)                                                                                            | 11,230,000  | 73,118,000  |             | 84,348,000  |
|                 | Central Office                                                                                                           | 11,230,000  | 73,118,000  |             | 84,348,000  |
|                 | Sub-total, Support to Operations                                                                                         | 18,025,000  | 80,516,000  |             | 98,541,000  |
| 000003000000000 | Operations                                                                                                               | 289,607,000 | 121,745,000 | 230,068,000 | 641,420,000 |
| 000003010000000 | MFO 1: CASH MANAGEMENT SERVICES                                                                                          | 251,248,000 | 88,820,000  | 230,068,000 | 570,136,000 |
| 101003010100000 | Cash management funding and investment of excess funds                                                                   | 34,051,000  | 17,633,000  | 230,068,000 | 281,752,000 |
|                 | National Capital Region (NCR)                                                                                            | 34,051,000  | 17,633,000  | 230,068,000 | 281,752,000 |
|                 | Central Office                                                                                                           | 34,051,000  | 17,633,000  | 230,068,000 | 281,752,000 |
| 101003010200000 | Accounting for receipts and disbursements                                                                                | 67,658,000  | 16,535,000  |             | 84,193,000  |
|                 | National Capital Region (NCR)                                                                                            | 67,658,000  | 16,535,000  |             | 84,193,000  |
|                 | Central Office                                                                                                           | 67,658,000  | 16,535,000  |             | 84,193,000  |
| 101003010300000 | Accounting and monitoring of all collections and disbursements of the NG, and evaluation of claims against Fidelity Fund | 149,539,000 | 54,652,000  |             | 204,191,000 |
|                 | National Capital Region (NCR)                                                                                            | 149,539,000 | 54,652,000  |             | 204,191,000 |
|                 | Central Office                                                                                                           | 149,539,000 | 54,652,000  |             | 204,191,000 |
| 000003020000000 | MFO 2: MANAGEMENT OF PUBLIC DEBTS                                                                                        | 38,359,000  | 32,925,000  |             | 71,284,000  |
| 000003020100000 | Portfolio management                                                                                                     | 7,663,000   | 13,219,000  |             | 20,882,000  |
| 101003020100001 | Securities origination and auction of government securities                                                              | 2,786,000   | 5,711,000   |             | 8,497,000   |
|                 | National Capital Region (NCR)                                                                                            | 2,786,000   | 5,711,000   |             | 8,497,000   |
|                 | Central Office                                                                                                           | 2,786,000   | 5,711,000   |             | 8,497,000   |

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|                                      |                                                                                                                                      |               |               |               |               |
|--------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|---------------|---------------|---------------|---------------|
| 101003020100002                      | Transaction settlement and registration                                                                                              | 4,877,000     | 7,508,000     |               | 12,385,000    |
|                                      | National Capital Region (NCR)                                                                                                        | 4,877,000     | 7,508,000     |               | 12,385,000    |
|                                      | Central Office                                                                                                                       | 4,877,000     | 7,508,000     |               | 12,385,000    |
| 101003020200000                      | Policies on debt, cash resources, financial assets and preparation of estimates for foreign and domestic borrowings and debt service | 30,696,000    | 19,706,000    |               | 50,402,000    |
|                                      | National Capital Region (NCR)                                                                                                        | 30,696,000    | 19,706,000    |               | 50,402,000    |
|                                      | Central Office                                                                                                                       | 30,696,000    | 19,706,000    |               | 50,402,000    |
| Sub-total, Operations                |                                                                                                                                      | 289,607,000   | 121,745,000   | 230,068,000   | 641,420,000   |
| TOTAL PROGRAMS AND ACTIVITIES        |                                                                                                                                      | P 399,263,000 | P 304,356,000 | P 236,193,000 | P 939,812,000 |
|                                      |                                                                                                                                      | =====         | =====         | =====         | =====         |
| 000004000000000                      | Locally-Funded Projects                                                                                                              |               | 26,603,000    | 700,000,000   | 726,603,000   |
| 000004100000000                      | Governance                                                                                                                           |               | 26,603,000    | 700,000,000   | 726,603,000   |
| 000004100400000                      | Systems Development                                                                                                                  |               | 26,603,000    | 700,000,000   | 726,603,000   |
| 101004100400001                      | Development of the Treasury Single Account (TSA)                                                                                     |               | 26,603,000    | 700,000,000   | 726,603,000   |
|                                      | National Capital Region (NCR)                                                                                                        |               | 26,603,000    | 700,000,000   | 726,603,000   |
|                                      | Central Office                                                                                                                       |               | 26,603,000    | 700,000,000   | 726,603,000   |
| Sub-total, Locally-Funded Project(s) |                                                                                                                                      |               | 26,603,000    | 700,000,000   | 726,603,000   |
| TOTAL PROJECTS                       |                                                                                                                                      |               | P 26,603,000  | P 700,000,000 | P 726,603,000 |
|                                      |                                                                                                                                      |               | =====         | =====         | =====         |
| TOTAL NEW APPROPRIATIONS             |                                                                                                                                      | P 399,263,000 | P 330,959,000 | P 700,000,000 | P 236,193,000 |
|                                      |                                                                                                                                      | =====         | =====         | =====         | =====         |

Obligations, by Object of Expenditures

CYs 2014-2016  
(In Thousand Pesos)

|                                     | 2014           | 2015           | 2016           |
|-------------------------------------|----------------|----------------|----------------|
| Current Operating Expenditures      |                |                |                |
| Personnel Services                  |                |                |                |
| Civilian Personnel                  |                |                |                |
| Permanent Positions                 |                |                |                |
| Basic Salary                        | 247,398        | 274,170        | 274,167        |
| Total Permanent Positions           | <u>247,398</u> | <u>274,170</u> | <u>274,167</u> |
| Other Compensation Common to All    |                |                |                |
| Personnel Economic Relief Allowance | 16,811         | 18,720         | 18,720         |
| Representation Allowance            | 8,124          | 6,786          | 6,786          |
| Transportation Allowance            | 6,259          | 6,654          | 6,654          |
| Clothing and Uniform Allowance      | 3,495          | 3,900          | 3,900          |
| Productivity Incentive Allowance    | 1,504          | 1,560          |                |
| Overtime Pay                        | 3,520          |                | 1,000          |
| Year End Bonus                      | 20,690         | 22,859         | 22,847         |
| Cash Gift                           | 3,692          | 3,900          | 3,900          |
| Step Increment                      |                | 687            | 1,262          |
| Productivity Enhancement Incentive  | 3,464          |                | 3,900          |
| Performance Based Bonus             | 7,068          |                |                |

|                                                       |           |           |           |
|-------------------------------------------------------|-----------|-----------|-----------|
| Total Other Compensation Common to All                | 74,627    | 65,066    | 68,969    |
| Other Compensation for Specific Groups                |           |           |           |
| Magna Carta for Public Social Workers                 | 225       | 38        | 38        |
| Longevity Pay                                         | 695       |           |           |
| Allowance of Attorney's de Officio                    | 2         |           |           |
| Other Personnel Benefits                              | 2,946     |           | 647       |
| Total Other Compensation for Specific Groups          | 3,868     | 38        | 685       |
| Other Benefits                                        |           |           |           |
| Retirement and Life Insurance Premiums                | 29,603    | 32,900    | 32,900    |
| PAG-IBIG Contributions                                | 825       | 940       | 936       |
| PhilHealth Contributions                              | 2,248     | 2,485     | 2,490     |
| Employees Compensation Insurance Premiums             | 848       | 940       | 936       |
| Retirement Gratuity                                   | 46,190    |           | 34,978    |
| Terminal Leave                                        | 356       |           | 16,102    |
| Total Other Benefits                                  | 80,070    | 37,265    | 88,342    |
| TOTAL PERSONNEL SERVICES                              | 405,963   | 376,539   | 432,163   |
| Maintenance and Other Operating Expenses              |           |           |           |
| Travelling Expenses                                   | 14,851    | 6,518     | 15,500    |
| Training and Scholarship Expenses                     | 7,228     | 7,478     | 13,500    |
| Supplies and Materials Expenses                       | 17,705    | 10,799    | 26,100    |
| Utility Expenses                                      | 41,209    | 42,550    | 45,804    |
| Communication Expenses                                | 8,511     | 13,956    | 18,356    |
| Confidential, Intelligence and Extraordinary Expenses |           |           |           |
| Extraordinary and Miscellaneous Expenses              | 2,631     | 2,878     | 2,878     |
| Professional Services                                 | 19,529    | 53,094    | 72,524    |
| General Services                                      | 20,554    | 22,279    | 27,547    |
| Repairs and Maintenance                               | 31,453    | 42,896    | 64,192    |
| Taxes, Insurance Premiums and Other Fees              | 3,662,506 | 104,930   | 22,714    |
| Other Maintenance and Operating Expenses              |           |           |           |
| Advertising Expenses                                  | 240       | 650       | 1,120     |
| Printing and Publication Expenses                     | 432       | 150       | 500       |
| Representation Expenses                               | 1,234     | 945       | 970       |
| Transportation and Delivery Expenses                  | 651       | 250       | 586       |
| Rent/Lease Expenses                                   | 16,838    | 17,755    | 17,899    |
| Membership Dues and Contributions to Organizations    |           |           | 66        |
| Subscription Expenses                                 | 267       | 220       | 703       |
| Other Maintenance and Operating Expenses              | 20,001    |           |           |
| TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES        | 3,865,840 | 327,348   | 330,959   |
| Financial Expenses                                    |           |           |           |
| Other Financial Charges                               | 501,000   | 700,000   | 700,000   |
| TOTAL FINANCIAL EXPENSES                              | 501,000   | 700,000   | 700,000   |
| TOTAL CURRENT OPERATING EXPENDITURES                  | 4,772,803 | 1,403,887 | 1,463,122 |
| Capital Outlays                                       |           |           |           |
| Investment Outlay                                     |           |           | 230,068   |
| Investment Property Outlay                            | 1,077,185 |           |           |
| Property, Plant and Equipment Outlay                  |           |           |           |
| Buildings and Other Structures                        |           | 90,000    |           |
| Machinery and Equipment Outlay                        | 44,470    |           |           |
| Transportation Equipment Outlay                       |           |           | 6,125     |
| TOTAL CAPITAL OUTLAYS                                 | 1,121,655 | 90,000    | 236,193   |
| GRAND TOTAL                                           | 5,894,458 | 1,493,887 | 1,699,315 |



F. CENTRAL BOARD OF ASSESSMENT APPEALS

STRATEGIC OBJECTIVES

MANDATE : To warrant the observance of the due process of law clause mandated by the Constitution in the assessment and collection of real property taxes by the government and ensure that the taxpayers are given the opportunity to be heard.

VISION : Local fiscal autonomy through fair and equitable real property assessment and collections.

MISSION : To warrant the observance of the due process of law clause guaranteed by the Constitution in the assessment and collection of real property taxes.

KEY RESULT AREAS : Anti-corruption/transparent, accountable and participatory governance

SECTOR OUTCOME : Fiscal strength

ORGANIZATIONAL OUTCOME : 1. Due process for fair and equitable real property taxation improved

SECTION 1 : EXPENDITURE PROGRAM  
(in pesos)

| No./ Code           | GASS / STO / OPERATIONS / PROJECTS | 2014 Actual | 2015 Current | 2016 Proposed |
|---------------------|------------------------------------|-------------|--------------|---------------|
| 00000300000000      | Operations                         | 8,998,000   | 7,162,000    | 7,765,000     |
|                     | PS                                 | 7,756,000   | 5,897,000    | 5,960,000     |
|                     | MOOE                               | 1,242,000   | 1,265,000    | 1,286,000     |
|                     | CO                                 |             |              | 519,000       |
| TOTAL AGENCY BUDGET |                                    | 8,998,000   | 7,162,000    | 7,765,000     |
|                     | PS                                 | 7,756,000   | 5,897,000    | 5,960,000     |
|                     | MOOE                               | 1,242,000   | 1,265,000    | 1,286,000     |
|                     | CO                                 |             |              | 519,000       |

STAFFING SUMMARY

|                                      | 2014 | 2015 | 2016 |
|--------------------------------------|------|------|------|
| TOTAL STAFFING                       |      |      |      |
| Total Number of Authorized Positions | 26   | 26   | 26   |
| Total Number of Filled Positions     | 17   | 17   | 17   |

PROPOSED 2016

| OPERATIONS BY MFO            | PS        | MOOE      | CO      | TOTAL     |
|------------------------------|-----------|-----------|---------|-----------|
| MFO 1: ADJUDICATION SERVICES | 5,463,000 | 1,286,000 | 519,000 | 7,268,000 |

SECTION 2 : EXPENDITURE PROGRAM BY CENTRAL / REGIONAL ALLOCATION, 2016  
(in pesos)

| REGION                                       | PS        | MOOE      | CO      | TOTAL     |
|----------------------------------------------|-----------|-----------|---------|-----------|
| Regional Allocation (net of Central Office): | 5,463,000 | 1,286,000 | 519,000 | 7,268,000 |
| National Capital Region (NCR)                | 5,463,000 | 1,286,000 | 519,000 | 7,268,000 |
| TOTAL AGENCY BUDGET                          | 5,463,000 | 1,286,000 | 519,000 | 7,268,000 |

**SECTION 3 : SPECIAL PROVISION(S)**

1. Appropriations for Programs and Specific Activities. The amounts appropriated herein for the programs of the agency shall be used specifically for the following activities in the indicated amounts and conditions:

**SECTION 4 : PERFORMANCE INFORMATION**

## KEY STRATEGIES :

1. Faster and simpler filing, processing and monitoring of appealed cases
2. Online payment system for docket fees
3. Online case monitoring system
4. FAQ on CBAA and LBAA rules and procedures
5. E-bayad internet-based portals to effect a more convenient system of filing of appealed cases before the CBAA

| ORGANIZATIONAL OUTCOMES (Oos) / PERFORMANCE INDICATORS (PIs)                                               | Baseline | 2016 Targets |
|------------------------------------------------------------------------------------------------------------|----------|--------------|
| <b>Due process for fair and equitable real property taxation improved</b>                                  |          |              |
| Percentage of cases reviewed during the year that were elevated to the higher court and overturned reduced | 25       | 10%(3)       |

| MFO / PIs                                                                                                           | 2016 Targets |
|---------------------------------------------------------------------------------------------------------------------|--------------|
| <b>MFO 1: ADJUDICATION SERVICES</b>                                                                                 |              |
| Number of cases reviewed                                                                                            | 32           |
| Percentage of cases reviewed over the last five years whose decisions are overturned by a higher court              | 0            |
| Percentage of cases received for adjudication that are resolved within 30 days of receipt of complete documentation | 90%          |

Appropriations/Obligations

(In Thousand Pesos)

| <u>Description</u>                     | <u>2014</u>  | <u>2015</u>  | <u>2016</u>  |
|----------------------------------------|--------------|--------------|--------------|
| New General Appropriations             | 9,755        | 6,664        | 7,268        |
| General Fund                           |              | 6,664        | 7,268        |
| R.A. No. 10633                         | 9,755        |              |              |
| Automatic Appropriations               | 773          | 498          | 497          |
| Retirement and Life Insurance Premiums | 773          | 498          | 497          |
| Budgetary Adjustment(s)                | 415          |              |              |
| Transfer(s) from:                      |              |              |              |
| Miscellaneous Personnel Benefits Fund  | 235          |              |              |
| Pension and Gratuity Fund              | 180          |              |              |
| Total Available Appropriations         | 10,943       | 7,162        | 7,765        |
| Unused Appropriations                  | ( 1,945)     |              |              |
| Unobligated Allotment                  | ( 1,945)     |              |              |
| <b>TOTAL OBLIGATIONS</b>               | <b>8,998</b> | <b>7,162</b> | <b>7,765</b> |

Proposed New Appropriations Language  
 For operations, as indicated hereunder.....P 7,268,000  
 =====

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> |
| PROGRAMS                                                                    |                                       |                                                 |                        |              |
| 0000030000000000 Operations                                                 | 5,463,000                             | 1,286,000                                       | 519,000                | 7,268,000    |
| 0000030100000000 MFO 1: ADJUDICATION SERVICES                               | 5,463,000                             | 1,286,000                                       | 519,000                | 7,268,000    |
| 1010030101000000 Adjudication of Appealed Cases on Real Property Assessment | P 5,463,000                           | P 1,286,000                                     | P 519,000              | P 7,268,000  |
| Sub-total, Operations                                                       | 5,463,000                             | 1,286,000                                       | 519,000                | 7,268,000    |
| TOTAL NEW APPROPRIATIONS                                                    | P 5,463,000                           | P 1,286,000                                     | P 519,000              | P 7,268,000  |
|                                                                             | =====                                 | =====                                           | =====                  | =====        |

Obligations, by Object of Expenditures

CYs 2014-2016  
 (In Thousand Pesos)

|                                              | <u>2014</u> | <u>2015</u> | <u>2016</u> |
|----------------------------------------------|-------------|-------------|-------------|
| Current Operating Expenditures               |             |             |             |
| Personnel Services                           |             |             |             |
| Civilian Personnel                           |             |             |             |
| Permanent Positions                          |             |             |             |
| Basic Salary                                 | 4,648       | 4,142       | 4,142       |
| Total Permanent Positions                    | 4,648       | 4,142       | 4,142       |
| Other Compensation Common to All             |             |             |             |
| Personnel Economic Relief Allowance          | 425         | 408         | 408         |
| Representation Allowance                     | 130         | 102         | 102         |
| Transportation Allowance                     | 130         | 102         | 102         |
| Clothing and Uniform Allowance               | 95          | 85          | 85          |
| Productivity Incentive Allowance             | 42          | 34          |             |
| Honoraria                                    | 20          |             |             |
| Year End Bonus                               | 350         | 345         | 345         |
| Cash Gift                                    | 80          | 85          | 85          |
| Step Increment                               | 9           | 11          | 25          |
| Productivity Enhancement Incentive           | 85          |             | 85          |
| Performance Based Bonus                      | 150         |             |             |
| Total Other Compensation Common to All       | 1,516       | 1,172       | 1,237       |
| Other Compensation for Specific Groups       |             |             |             |
| Other Personnel Benefits                     | 113         |             |             |
| Total Other Compensation for Specific Groups | 113         |             |             |

|                                                       |              |              |              |
|-------------------------------------------------------|--------------|--------------|--------------|
| Other Benefits                                        |              |              |              |
| Retirement and Life Insurance Premiums                | 500          | 498          | 497          |
| PAG-IBIG Contributions                                | 21           | 20           | 20           |
| PhilHealth Contributions                              | 49           | 45           | 44           |
| Employees Compensation Insurance Premiums             | 21           | 20           | 20           |
| Terminal Leave                                        | 888          |              |              |
| Total Other Benefits                                  | <u>1,479</u> | <u>583</u>   | <u>581</u>   |
| TOTAL PERSONNEL SERVICES                              | <u>7,756</u> | <u>5,897</u> | <u>5,960</u> |
| Maintenance and Other Operating Expenses              |              |              |              |
| Travelling Expenses                                   | 31           | 75           | 75           |
| Training and Scholarship Expenses                     | 177          | 150          | 150          |
| Supplies and Materials Expenses                       | 215          | 300          | 295          |
| Utility Expenses                                      | 16           | 60           | 50           |
| Communication Expenses                                | 90           | 117          | 117          |
| Confidential, Intelligence and Extraordinary Expenses |              |              |              |
| Extraordinary and Miscellaneous Expenses              | 162          | 110          | 110          |
| Professional Services                                 | 2            |              |              |
| General Services                                      | 170          | 160          | 160          |
| Repairs and Maintenance                               |              |              | 50           |
| Taxes, Insurance Premiums and Other Fees              | 13           | 70           | 50           |
| Other Maintenance and Operating Expenses              |              |              |              |
| Printing and Publication Expenses                     | 4            |              |              |
| Rent/Lease Expenses                                   | 351          | 193          | 214          |
| Subscription Expenses                                 | 11           | 30           | 15           |
| TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES        | <u>1,242</u> | <u>1,265</u> | <u>1,286</u> |
| TOTAL CURRENT OPERATING EXPENDITURES                  | <u>8,998</u> | <u>7,162</u> | <u>7,246</u> |
| Capital Outlays                                       |              |              |              |
| Property, Plant and Equipment Outlay                  |              |              |              |
| Machinery and Equipment Outlay                        |              |              | 519          |
| TOTAL CAPITAL OUTLAYS                                 |              |              | <u>519</u>   |
| GRAND TOTAL                                           | <u>8,998</u> | <u>7,162</u> | <u>7,765</u> |

#### G. COOPERATIVE DEVELOPMENT AUTHORITY

##### STRATEGIC OBJECTIVES

|                        |                                                                                                                                                                                                                                                                                                                                            |
|------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| MANDATE                | : As the lead government agency in the development and regulation of cooperatives, the Cooperative Development Authority promotes the growth and viability of cooperatives as instruments of equity, social justice and economic development in fulfillment of the mandate in Section 15, Article XII of the 1987 Philippine Constitution. |
| VISION                 | : An effective and efficient regulatory agency working towards the development of viable, sustainable, socially-responsive and globally competitive cooperatives                                                                                                                                                                           |
| MISSION                | : To ensure the safe and sound operations of cooperatives                                                                                                                                                                                                                                                                                  |
| KEY RESULT AREAS       | : Anti-Corruption/Transparent, Accountable and Participatory Governance                                                                                                                                                                                                                                                                    |
| SECTOR OUTCOME         | : Progressive Cooperative Enterprises                                                                                                                                                                                                                                                                                                      |
| ORGANIZATIONAL OUTCOME | : 1. Growth and viability of cooperative enterprises improved                                                                                                                                                                                                                                                                              |

**SECTION 1 : EXPENDITURE PROGRAM**  
(in pesos)

| No. / Code          | GASS / STO / OPERATIONS / PROJECTS | 2014 Actual | 2015 Current | 2016 Proposed |
|---------------------|------------------------------------|-------------|--------------|---------------|
| 000001000000000     | General Administration and Support | 128,309,000 | 127,762,000  | 150,049,000   |
|                     | PS                                 | 88,037,000  | 69,337,000   | 75,094,000    |
|                     | MOOE                               | 39,079,000  | 58,425,000   | 65,763,000    |
|                     | CO                                 | 1,193,000   |              | 9,192,000     |
| 000002000000000     | Support to Operations              | 10,971,000  | 13,351,000   | 16,748,000    |
|                     | PS                                 | 8,562,000   | 10,073,000   | 10,136,000    |
|                     | MOOE                               | 2,409,000   | 3,278,000    | 6,612,000     |
| 000003000000000     | Operations                         | 210,732,000 | 199,572,000  | 182,923,000   |
|                     | PS                                 | 163,128,000 | 153,357,000  | 154,400,000   |
|                     | MOOE                               | 43,546,000  | 27,749,000   | 28,523,000    |
|                     | CO                                 | 4,058,000   | 18,466,000   |               |
| TOTAL AGENCY BUDGET |                                    | 350,012,000 | 340,685,000  | 349,720,000   |
|                     | PS                                 | 259,727,000 | 232,767,000  | 239,630,000   |
|                     | MOOE                               | 85,034,000  | 89,452,000   | 100,898,000   |
|                     | CO                                 | 5,251,000   | 18,466,000   | 9,192,000     |

STAFFING SUMMARY

|                                      | 2014 | 2015 | 2016 |
|--------------------------------------|------|------|------|
| TOTAL STAFFING                       |      |      |      |
| Total Number of Authorized Positions | 736  | 736  | 736  |
| Total Number of Filled Positions     | 541  | 541  | 541  |

PROPOSED 2016

| OPERATIONS BY MFO                  | PS          | MOOE       | CO | TOTAL       |
|------------------------------------|-------------|------------|----|-------------|
| MFO 1: TECHNICAL ADVISORY SERVICES | 18,963,000  | 11,403,000 |    | 30,366,000  |
| MFO 2: REGULATION OF COOPERATIVES  | 121,714,000 | 17,120,000 |    | 138,834,000 |

**SECTION 2 : EXPENDITURE PROGRAM BY CENTRAL / REGIONAL ALLOCATION, 2016**  
(in pesos)

| REGION                                       | PS          | MOOE        | CO        | TOTAL       |
|----------------------------------------------|-------------|-------------|-----------|-------------|
| CENTRAL OFFICE                               | 46,519,000  | 42,647,000  | 4,185,000 | 93,351,000  |
| Regional Allocation (net of Central Office): | 172,865,000 | 58,251,000  | 5,007,000 | 236,123,000 |
| National Capital Region (NCR)                | 14,559,000  | 5,588,000   | 2,575,000 | 22,722,000  |
| Region I - Ilocos                            | 10,826,000  | 3,962,000   |           | 14,788,000  |
| Cordillera Administrative Region (CAR)       | 10,211,000  | 3,390,000   | 1,200,000 | 14,801,000  |
| Region II - Cagayan Valley                   | 11,742,000  | 3,158,000   |           | 14,900,000  |
| Region III - Central Luzon                   | 14,263,000  | 3,854,000   | 800,000   | 18,917,000  |
| Region IVA - CALABARZON                      | 15,688,000  | 4,967,000   |           | 20,655,000  |
| Region V - Bicol                             | 12,599,000  | 3,138,000   |           | 15,737,000  |
| Region VI - Western Visayas                  | 13,811,000  | 3,733,000   |           | 17,544,000  |
| Region VII - Central Visayas                 | 11,643,000  | 4,173,000   | 360,000   | 16,176,000  |
| Region VIII - Eastern Visayas                | 10,586,000  | 4,062,000   |           | 14,648,000  |
| Region IX - Zamboanga Peninsula              | 8,726,000   | 3,293,000   |           | 12,019,000  |
| Region X - Northern Mindanao                 | 12,171,000  | 3,802,000   |           | 15,973,000  |
| Region XI - Davao                            | 10,989,000  | 4,652,000   |           | 15,641,000  |
| Region XII - SOCCSKSARGEN                    | 8,405,000   | 3,436,000   | 72,000    | 11,913,000  |
| Region XIII - CARAGA                         | 6,646,000   | 3,043,000   |           | 9,689,000   |
| TOTAL AGENCY BUDGET                          | 219,384,000 | 100,898,000 | 9,192,000 | 329,474,000 |

**SECTION 3 : SPECIAL PROVISION(S)**

1. Requirements of the Cooperative Development Authority and Reversion of Balances from Revolving Funds. The amounts appropriated herein for the programs, activities and projects of the Cooperative Development Authority (CDA) shall be used exclusively for regulation of cooperatives and provision of technical advisory services. In no case shall said amounts be used for providing credit services in accordance with E.O. No. 138 s. 1999.

Balances of the Cooperative Development Loan Fund, Cooperative Marketing Project Fund, Cooperative Support Fund, and Cooperative Rehabilitation Development Fund, including payments from debtors arising from outstanding loans shall revert to the unappropriated surplus of the General Fund pursuant to Section 45, Chapter 5, Book VI of E.O. No. 292.

2. Appropriations for Programs and Specific Activities. The amounts appropriated herein for the programs of the agency shall be used specifically for the following activities in the indicated amounts and conditions:

**SECTION 4 : PERFORMANCE INFORMATION****KEY STRATEGIES :**

Efficient Registration of Cooperatives and Mainstreaming of Membership in Cooperatives and provision of Technical Advisory Services  
 Effective Regulation of Cooperatives and Enforcement of Cooperative Laws, Rules and Regulations  
 Strengthen Governance and Enhance Regulatory Framework

| <u>ORGANIZATIONAL OUTCOMES (OOs) / PERFORMANCE INDICATORS (PIs)</u>                                                     | <u>Baseline</u>        | <u>2016 Targets</u> |
|-------------------------------------------------------------------------------------------------------------------------|------------------------|---------------------|
| <b>Growth and viability of cooperative enterprises improved</b>                                                         |                        |                     |
| Increase in percentage of cooperatives complying with reportorial requirements                                          | 11,889 (FY 2013 data)  | 5%                  |
| Increase in the number of jobs generated by cooperatives                                                                | 274,294 (FY 2013 data) | 5%                  |
| Increase in gross revenue of cooperatives                                                                               | P53,017,937,242.90     | 5%                  |
| <u>MFO / PIs</u>                                                                                                        |                        | <u>2016 Targets</u> |
| <b>MFO 1: TECHNICAL ADVISORY SERVICES</b>                                                                               |                        |                     |
| Registration of Cooperatives and Expansion of Membership                                                                |                        |                     |
| No. of technical services rendered                                                                                      |                        | 46,925              |
| Percentage of clients who rate the technical services as good or better                                                 |                        | 80%                 |
| Percentage of technical services rendered within 3 days of request                                                      |                        | 80%                 |
| <b>MFO 2: REGULATION OF COOPERATIVES</b>                                                                                |                        |                     |
| Registration                                                                                                            |                        |                     |
| Number of registration applications and renewals/amendments acted upon                                                  |                        | 1,875               |
| Number of cooperative registration applicants who rated the registration process as good or better                      |                        | 70%                 |
| Percentage of registration applications acted upon within 45 days from date of receipt of complete documents            |                        | 80%                 |
| Monitoring                                                                                                              |                        |                     |
| Number of sites, facilities and financial records monitored and/or inspected with reports issued                        |                        | 71,860              |
| Percentage change in violations detected                                                                                |                        | 50%                 |
| Percentage of cooperatives inspected and/or examined within the year                                                    |                        | 85%                 |
| Enforcement                                                                                                             |                        |                     |
| Number of violations or complaints acted upon and reports issued                                                        |                        | 200                 |
| Percentage of non-compliant cooperatives complying with sanctions and/or directives                                     |                        | 60%                 |
| Percentage of violations/complaints acted upon within 15 days after knowledge of violation or upon receipt of complaint |                        | 80%                 |

Appropriations/Obligations

(In Thousand Pesos)

| <u>Description</u>                       | <u>2014</u>    | <u>2015</u>    | <u>2016</u>    |
|------------------------------------------|----------------|----------------|----------------|
| New General Appropriations               | <u>320,006</u> | <u>320,439</u> | <u>329,474</u> |
| General Fund                             |                | 320,439        | 329,474        |
| R.A. No. 10633                           | 320,006        |                |                |
| Automatic Appropriations                 | <u>21,502</u>  | <u>20,246</u>  | <u>20,246</u>  |
| Retirement and Life Insurance Premiums   | 21,502         | 20,246         | 20,246         |
| Continuing Appropriations                | <u>1,640</u>   | <u>6,433</u>   |                |
| Unobligated Releases for Capital Outlays |                |                |                |
| R.A. No. 10352                           | 334            |                |                |
| R.A. No. 10633                           |                | 1,945          |                |
| Unobligated Releases for MOOE            |                |                |                |
| R.A. No. 10652                           |                | 4,488          |                |
| R.A. No. 10352                           | 1,306          |                |                |
| Budgetary Adjustment(s)                  | <u>16,630</u>  |                |                |
| Transfer(s) from:                        |                |                |                |
| Miscellaneous Personnel Benefits Fund    | 9,667          |                |                |
| Pension and Gratuity Fund                | 6,963          |                |                |
| Total Available Appropriations           | 359,778        | 347,118        | 349,720        |
| Unused Appropriations                    | ( 9,766)       | ( 6,433)       |                |
| Unobligated Allotment                    | ( 9,766)       | ( 6,433)       |                |
| TOTAL OBLIGATIONS                        | <u>350,012</u> | <u>340,685</u> | <u>349,720</u> |

Proposed New Appropriations Language

For general administration and support, support to operations, and operations, as indicated hereunder.....P 329,474,000  
 =====

New Appropriations, by Programs/Activities/Projects, by Operating Units

|                                                     | <u>Current Operating Expenditures</u> |                                                 |                        |                      |
|-----------------------------------------------------|---------------------------------------|-------------------------------------------------|------------------------|----------------------|
|                                                     | <u>Personnel Services</u>             | <u>Maintenance and Other Operating Expenses</u> | <u>Capital Outlays</u> | <u>Total</u>         |
| PROGRAMS                                            |                                       |                                                 |                        |                      |
| 0000010000000000 General Administration and Support | <u>69,473,000</u>                     | <u>65,763,000</u>                               | <u>9,192,000</u>       | <u>144,428,000</u>   |
| 1030010001000000 General management and supervision | P <u>64,635,000</u>                   | P <u>65,763,000</u>                             | P <u>9,192,000</u>     | P <u>139,590,000</u> |
| National Capital Region (NCR)                       | <u>28,085,000</u>                     | <u>30,970,000</u>                               | <u>6,760,000</u>       | <u>65,815,000</u>    |
| Central Office                                      | 25,213,000                            | 27,338,000                                      | 6,760,000              | 59,311,000           |
| Manila Extension Office                             | 2,872,000                             | 3,632,000                                       |                        | 6,504,000            |
| Region I - Ilocos                                   | <u>3,082,000</u>                      | <u>2,575,000</u>                                |                        | <u>5,657,000</u>     |
| Dagupan Extension Office                            | 3,082,000                             | 2,575,000                                       |                        | 5,657,000            |

|                                                      |                   |                   |                  |                    |
|------------------------------------------------------|-------------------|-------------------|------------------|--------------------|
| Cordillera Administrative Region (CAR)               | <u>2,890,000</u>  | <u>2,211,000</u>  | <u>1,200,000</u> | <u>6,301,000</u>   |
| Cordillera Extension Office                          | 2,890,000         | 2,211,000         | 1,200,000        | 6,301,000          |
| Region II - Cagayan Valley                           | <u>2,780,000</u>  | <u>2,043,000</u>  |                  | <u>4,823,000</u>   |
| Tuguegarao Extension Office                          | 2,780,000         | 2,043,000         |                  | 4,823,000          |
| Region III - Central Luzon                           | <u>2,608,000</u>  | <u>2,504,000</u>  | <u>800,000</u>   | <u>5,912,000</u>   |
| Pampanga Extension Office                            | 2,608,000         | 2,504,000         | 800,000          | 5,912,000          |
| Region IVA - CALABARZON                              | <u>3,008,000</u>  | <u>3,224,000</u>  |                  | <u>6,232,000</u>   |
| Calamba Extension Office                             | 3,008,000         | 3,224,000         |                  | 6,232,000          |
| Region V - Bicol                                     | <u>2,516,000</u>  | <u>2,037,000</u>  |                  | <u>4,553,000</u>   |
| Naga Extension Office                                | 2,516,000         | 2,037,000         |                  | 4,553,000          |
| Region VI - Western Visayas                          | <u>2,929,000</u>  | <u>2,426,000</u>  |                  | <u>5,355,000</u>   |
| Iloilo Extension Office                              | 2,929,000         | 2,426,000         |                  | 5,355,000          |
| Region VII - Central Visayas                         | <u>2,706,000</u>  | <u>2,756,000</u>  | <u>360,000</u>   | <u>5,822,000</u>   |
| Cebu Extension Office                                | 2,706,000         | 2,756,000         | 360,000          | 5,822,000          |
| Region VIII - Eastern Visayas                        | <u>2,213,000</u>  | <u>2,710,000</u>  |                  | <u>4,923,000</u>   |
| Tacloban Extension Office                            | 2,213,000         | 2,710,000         |                  | 4,923,000          |
| Region IX - Zamboanga Peninsula                      | <u>2,715,000</u>  | <u>2,120,000</u>  |                  | <u>4,835,000</u>   |
| Pagadian Extension Office                            | 2,715,000         | 2,120,000         |                  | 4,835,000          |
| Region X - Northern Mindanao                         | <u>2,205,000</u>  | <u>2,583,000</u>  |                  | <u>4,788,000</u>   |
| Cagayan de Oro City Extension Office                 | 2,205,000         | 2,583,000         |                  | 4,788,000          |
| Region XI - Davao                                    | <u>2,583,000</u>  | <u>3,616,000</u>  |                  | <u>6,199,000</u>   |
| Davao Extension Office                               | 2,583,000         | 3,616,000         |                  | 6,199,000          |
| Region XII - SOCCSKSARGEN                            | <u>3,310,000</u>  | <u>2,271,000</u>  | <u>72,000</u>    | <u>5,653,000</u>   |
| Kidapawan Extension Office                           | 3,310,000         | 2,271,000         | 72,000           | 5,653,000          |
| Region XIII - CARAGA                                 | <u>1,005,000</u>  | <u>1,717,000</u>  |                  | <u>2,722,000</u>   |
| CARAGA Extension Office                              | 1,005,000         | 1,717,000         |                  | 2,722,000          |
| 103001000200000 Administration of Personnel Benefits | <u>4,838,000</u>  |                   |                  | <u>4,838,000</u>   |
| National Capital Region (NCR)                        | <u>4,838,000</u>  |                   |                  | <u>4,838,000</u>   |
| Central Office                                       | 4,838,000         |                   |                  | 4,838,000          |
| Sub-total, General Administration and Support        | <u>69,473,000</u> | <u>65,763,000</u> | <u>9,192,000</u> | <u>144,428,000</u> |



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|                 |                                                                       |                  |                  |                   |
|-----------------|-----------------------------------------------------------------------|------------------|------------------|-------------------|
| 000002000000000 | Support to Operations                                                 | <u>9,234,000</u> | <u>6,612,000</u> | <u>15,846,000</u> |
| 103002000100000 | Formulation of Plans and Programs including monitoring and evaluation | <u>9,234,000</u> | <u>6,612,000</u> | <u>15,846,000</u> |
|                 | National Capital Region (NCR)                                         | <u>4,169,000</u> | <u>5,288,000</u> | <u>9,457,000</u>  |
|                 | Central Office                                                        | 3,568,000        | 5,196,000        | 8,764,000         |
|                 | Manila Extension Office                                               | 601,000          | 92,000           | 693,000           |
|                 | Region I - Ilocos                                                     | <u>626,000</u>   | <u>92,000</u>    | <u>718,000</u>    |
|                 | Dagupan Extension Office                                              | 626,000          | 92,000           | 718,000           |
|                 | Cordillera Administrative Region (CAR)                                |                  | <u>92,000</u>    | <u>92,000</u>     |
|                 | Cordillera Extension Office                                           |                  | 92,000           | 92,000            |
|                 | Region II - Cagayan Valley                                            |                  | <u>92,000</u>    | <u>92,000</u>     |
|                 | Tuguegarao Extension Office                                           |                  | 92,000           | 92,000            |
|                 | Region III - Central Luzon                                            | <u>601,000</u>   | <u>92,000</u>    | <u>693,000</u>    |
|                 | Pampanga Extension Office                                             | 601,000          | 92,000           | 693,000           |
|                 | Region IVA - CALABARZON                                               | <u>601,000</u>   | <u>92,000</u>    | <u>693,000</u>    |
|                 | Calamba Extension Office                                              | 601,000          | 92,000           | 693,000           |
|                 | Region V - Bicol                                                      |                  | <u>92,000</u>    | <u>92,000</u>     |
|                 | Naga Extension Office                                                 |                  | 92,000           | 92,000            |
|                 | Region VI - Western Visayas                                           | <u>613,000</u>   | <u>92,000</u>    | <u>705,000</u>    |
|                 | Iloilo Extension Office                                               | 613,000          | 92,000           | 705,000           |
|                 | Region VII - Central Visayas                                          |                  | <u>128,000</u>   | <u>128,000</u>    |
|                 | Cebu Extension Office                                                 |                  | 128,000          | 128,000           |
|                 | Region VIII - Eastern Visayas                                         | <u>601,000</u>   | <u>30,000</u>    | <u>631,000</u>    |
|                 | Tacloban Extension Office                                             | 601,000          | 30,000           | 631,000           |
|                 | Region IX - Zamboanga Peninsula                                       |                  | <u>98,000</u>    | <u>98,000</u>     |
|                 | Pagadian Extension Office                                             |                  | 98,000           | 98,000            |
|                 | Region X - Northern Mindanao                                          | <u>626,000</u>   | <u>109,000</u>   | <u>735,000</u>    |
|                 | Cagayan de Oro City Extension Office                                  | 626,000          | 109,000          | 735,000           |
|                 | Region XI - Davao                                                     |                  | <u>95,000</u>    | <u>95,000</u>     |
|                 | Davao Extension Office                                                |                  | 95,000           | 95,000            |
|                 | Region XII - SOCCSKSARGEN                                             |                  | <u>95,000</u>    | <u>95,000</u>     |
|                 | Kidapawan Extension Office                                            |                  | 95,000           | 95,000            |

|                |                                                              |                    |                   |                    |
|----------------|--------------------------------------------------------------|--------------------|-------------------|--------------------|
|                | Region XIII - CARAGA                                         | <u>1,397,000</u>   | <u>125,000</u>    | <u>1,522,000</u>   |
|                | CARAGA Extension Office                                      | <u>1,397,000</u>   | <u>125,000</u>    | <u>1,522,000</u>   |
|                | Sub-total, Support to Operations                             | <u>9,234,000</u>   | <u>6,612,000</u>  | <u>15,846,000</u>  |
| 00000300000000 | Operations                                                   | <u>140,677,000</u> | <u>28,523,000</u> | <u>169,200,000</u> |
| 00000301000000 | MFO 1: TECHNICAL ADVISORY SERVICES                           | <u>18,963,000</u>  | <u>11,403,000</u> | <u>30,366,000</u>  |
| 10100301010000 | Provision of technical assistance on cooperative development | <u>18,963,000</u>  | <u>11,403,000</u> | <u>30,366,000</u>  |
|                | National Capital Region (NCR)                                | <u>6,775,000</u>   | <u>4,615,000</u>  | <u>11,390,000</u>  |
|                | Central Office                                               | <u>5,992,000</u>   | <u>3,858,000</u>  | <u>9,850,000</u>   |
|                | Manila Extension Office                                      | <u>783,000</u>     | <u>757,000</u>    | <u>1,540,000</u>   |
|                | Region I - Ilocos                                            | <u>1,222,000</u>   | <u>531,000</u>    | <u>1,753,000</u>   |
|                | Dagupan Extension Office                                     | <u>1,222,000</u>   | <u>531,000</u>    | <u>1,753,000</u>   |
|                | Cordillera Administrative Region (CAR)                       | <u>779,000</u>     | <u>453,000</u>    | <u>1,232,000</u>   |
|                | Cordillera Extension Office                                  | <u>779,000</u>     | <u>453,000</u>    | <u>1,232,000</u>   |
|                | Region II - Cagayan Valley                                   | <u>783,000</u>     | <u>417,000</u>    | <u>1,200,000</u>   |
|                | Tuguegarao Extension Office                                  | <u>783,000</u>     | <u>417,000</u>    | <u>1,200,000</u>   |
|                | Region III - Central Luzon                                   | <u>381,000</u>     | <u>517,000</u>    | <u>898,000</u>     |
|                | Pampanga Extension Office                                    | <u>381,000</u>     | <u>517,000</u>    | <u>898,000</u>     |
|                | Region IVA - CALABARZON                                      | <u>783,000</u>     | <u>674,000</u>    | <u>1,457,000</u>   |
|                | Calamba Extension Office                                     | <u>783,000</u>     | <u>674,000</u>    | <u>1,457,000</u>   |
|                | Region V - Bicol                                             | <u>868,000</u>     | <u>415,000</u>    | <u>1,283,000</u>   |
|                | Naga Extension Office                                        | <u>868,000</u>     | <u>415,000</u>    | <u>1,283,000</u>   |
|                | Region VI - Western Visayas                                  | <u>845,000</u>     | <u>499,000</u>    | <u>1,344,000</u>   |
|                | Iloilo Extension Office                                      | <u>845,000</u>     | <u>499,000</u>    | <u>1,344,000</u>   |
|                | Region VII - Central Visayas                                 | <u>392,000</u>     | <u>524,000</u>    | <u>916,000</u>     |
|                | Cebu Extension Office                                        | <u>392,000</u>     | <u>524,000</u>    | <u>916,000</u>     |
|                | Region VIII - Eastern Visayas                                | <u>760,000</u>     | <u>545,000</u>    | <u>1,305,000</u>   |
|                | Tacloban Extension Office                                    | <u>760,000</u>     | <u>545,000</u>    | <u>1,305,000</u>   |
|                | Region IX - Zamboanga Peninsula                              | <u>822,000</u>     | <u>441,000</u>    | <u>1,263,000</u>   |
|                | Pagadian Extension Office                                    | <u>822,000</u>     | <u>441,000</u>    | <u>1,263,000</u>   |
|                | Region X - Northern Mindanao                                 | <u>1,661,000</u>   | <u>457,000</u>    | <u>2,118,000</u>   |
|                | Cagayan de Oro City Extension Office                         | <u>1,661,000</u>   | <u>457,000</u>    | <u>2,118,000</u>   |
|                | Region XI - Davao                                            | <u>1,250,000</u>   | <u>390,000</u>    | <u>1,640,000</u>   |
|                | Davao Extension Office                                       | <u>1,250,000</u>   | <u>390,000</u>    | <u>1,640,000</u>   |

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|                                                   |                    |                   |                    |
|---------------------------------------------------|--------------------|-------------------|--------------------|
| Region XII - SOCCSKSARGEN                         | <u>874,000</u>     | <u>430,000</u>    | <u>1,304,000</u>   |
| Kidapawan Extension Office                        | 874,000            | 430,000           | 1,304,000          |
| Region XIII - CARAGA                              | <u>768,000</u>     | <u>495,000</u>    | <u>1,263,000</u>   |
| CARAGA Extension Office                           | 768,000            | 495,000           | 1,263,000          |
| 000003020000000 MFO 2: REGULATION OF COOPERATIVES | <u>121,714,000</u> | <u>17,120,000</u> | <u>138,834,000</u> |
| 101003020100000 Registration of Cooperatives      | <u>47,536,000</u>  | <u>6,390,000</u>  | <u>53,926,000</u>  |
| National Capital Region (NCR)                     | <u>6,679,000</u>   | <u>3,380,000</u>  | <u>10,059,000</u>  |
| Central Office                                    | 2,718,000          | 3,026,000         | 5,744,000          |
| Manila Extension Office                           | 3,961,000          | 354,000           | 4,315,000          |
| Region I - Ilocos                                 | <u>2,812,000</u>   | <u>238,000</u>    | <u>3,050,000</u>   |
| Dagupan Extension Office                          | 2,812,000          | 238,000           | 3,050,000          |
| Cordillera Administrative Region (CAR)            | <u>2,055,000</u>   | <u>199,000</u>    | <u>2,254,000</u>   |
| Cordillera Extension Office                       | 2,055,000          | 199,000           | 2,254,000          |
| Region II - Cagayan Valley                        | <u>3,218,000</u>   | <u>181,000</u>    | <u>3,399,000</u>   |
| Tuguegarao Extension Office                       | 3,218,000          | 181,000           | 3,399,000          |
| Region III - Central Luzon                        | <u>3,863,000</u>   | <u>230,000</u>    | <u>4,093,000</u>   |
| Pampanga Extension Office                         | 3,863,000          | 230,000           | 4,093,000          |
| Region IVA - CALABARZON                           | <u>4,276,000</u>   | <u>310,000</u>    | <u>4,586,000</u>   |
| Calamba Extension Office                          | 4,276,000          | 310,000           | 4,586,000          |
| Region V - Bicol                                  | <u>4,000,000</u>   | <u>180,000</u>    | <u>4,180,000</u>   |
| Naga Extension Office                             | 4,000,000          | 180,000           | 4,180,000          |
| Region VI - Western Visayas                       | <u>4,342,000</u>   | <u>222,000</u>    | <u>4,564,000</u>   |
| Iloilo Extension Office                           | 4,342,000          | 222,000           | 4,564,000          |
| Region VII - Central Visayas                      | <u>2,805,000</u>   | <u>245,000</u>    | <u>3,050,000</u>   |
| Cebu Extension Office                             | 2,805,000          | 245,000           | 3,050,000          |
| Region VIII - Eastern Visayas                     | <u>2,714,000</u>   | <u>245,000</u>    | <u>2,959,000</u>   |
| Tacloban Extension Office                         | 2,714,000          | 245,000           | 2,959,000          |
| Region IX - Zamboanga Peninsula                   | <u>2,011,000</u>   | <u>197,000</u>    | <u>2,208,000</u>   |
| Pagadian Extension Office                         | 2,011,000          | 197,000           | 2,208,000          |
| Region X - Northern Mindanao                      | <u>3,167,000</u>   | <u>205,000</u>    | <u>3,372,000</u>   |
| Cagayan de Oro City Extension Office              | 3,167,000          | 205,000           | 3,372,000          |
| Region XI - Davao                                 | <u>2,820,000</u>   | <u>200,000</u>    | <u>3,020,000</u>   |
| Davao Extension Office                            | 2,820,000          | 200,000           | 3,020,000          |

|                 |                                                                                 |                   |                  |                   |
|-----------------|---------------------------------------------------------------------------------|-------------------|------------------|-------------------|
|                 | Region XII - SOCCSKSARGEN                                                       | <u>1,230,000</u>  | <u>194,000</u>   | <u>1,424,000</u>  |
|                 | Kidapawan Extension Office                                                      | 1,230,000         | 194,000          | 1,424,000         |
|                 | Region XIII - CARAGA                                                            | <u>1,544,000</u>  | <u>164,000</u>   | <u>1,708,000</u>  |
|                 | CARAGA Extension Office                                                         | 1,544,000         | 164,000          | 1,708,000         |
| 101003020200000 | Regulation of cooperatives,<br>formulation of guidelines, rules and regulations | <u>66,027,000</u> | <u>4,903,000</u> | <u>70,930,000</u> |
|                 | National Capital Region (NCR)                                                   | <u>5,783,000</u>  | <u>1,337,000</u> | <u>7,120,000</u>  |
|                 | Central Office                                                                  |                   | 950,000          | 950,000           |
|                 | Manila Extension Office                                                         | 5,783,000         | 387,000          | 6,170,000         |
|                 | Region I - Ilocos                                                               | <u>3,084,000</u>  | <u>273,000</u>   | <u>3,357,000</u>  |
|                 | Dagupan Extension Office                                                        | 3,084,000         | 273,000          | 3,357,000         |
|                 | Cordillera Administrative Region (CAR)                                          | <u>4,487,000</u>  | <u>234,000</u>   | <u>4,721,000</u>  |
|                 | Cordillera Extension Office                                                     | 4,487,000         | 234,000          | 4,721,000         |
|                 | Region II - Cagayan Valley                                                      | <u>4,402,000</u>  | <u>216,000</u>   | <u>4,618,000</u>  |
|                 | Tuguegarao Extension Office                                                     | 4,402,000         | 216,000          | 4,618,000         |
|                 | Region III - Central Luzon                                                      | <u>6,251,000</u>  | <u>265,000</u>   | <u>6,516,000</u>  |
|                 | Pampanga Extension Office                                                       | 6,251,000         | 265,000          | 6,516,000         |
|                 | Region IVA - CALABARZON                                                         | <u>7,020,000</u>  | <u>345,000</u>   | <u>7,365,000</u>  |
|                 | Calamba Extension Office                                                        | 7,020,000         | 345,000          | 7,365,000         |
|                 | Region V - Bicol                                                                | <u>4,656,000</u>  | <u>215,000</u>   | <u>4,871,000</u>  |
|                 | Naga Extension Office                                                           | 4,656,000         | 215,000          | 4,871,000         |
|                 | Region VI - Western Visayas                                                     | <u>5,082,000</u>  | <u>257,000</u>   | <u>5,339,000</u>  |
|                 | Iloilo Extension Office                                                         | 5,082,000         | 257,000          | 5,339,000         |
|                 | Region VII - Central Visayas                                                    | <u>5,151,000</u>  | <u>280,000</u>   | <u>5,431,000</u>  |
|                 | Cebu Extension Office                                                           | 5,151,000         | 280,000          | 5,431,000         |
|                 | Region VIII - Eastern Visayas                                                   | <u>4,298,000</u>  | <u>280,000</u>   | <u>4,578,000</u>  |
|                 | Tacloban Extension Office                                                       | 4,298,000         | 280,000          | 4,578,000         |
|                 | Region IX - Zamboanga Peninsula                                                 | <u>3,178,000</u>  | <u>229,000</u>   | <u>3,407,000</u>  |
|                 | Pagadian Extension Office                                                       | 3,178,000         | 229,000          | 3,407,000         |
|                 | Region X - Northern Mindanao                                                    | <u>3,935,000</u>  | <u>240,000</u>   | <u>4,175,000</u>  |
|                 | Cagayan de Oro City Extension<br>Office                                         | 3,935,000         | 240,000          | 4,175,000         |
|                 | Region XI - Davao                                                               | <u>4,336,000</u>  | <u>183,000</u>   | <u>4,519,000</u>  |
|                 | Davao Extension Office                                                          | 4,336,000         | 183,000          | 4,519,000         |

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|                                                                  |                  |                  |                   |
|------------------------------------------------------------------|------------------|------------------|-------------------|
| Region XII - SOCCSKSARGEN                                        | <u>2,432,000</u> | <u>233,000</u>   | <u>2,665,000</u>  |
| Kidapawan Extension Office                                       | 2,432,000        | 233,000          | 2,665,000         |
| Region XIII - CARAGA                                             | <u>1,932,000</u> | <u>316,000</u>   | <u>2,248,000</u>  |
| CARAGA Extension Office                                          | 1,932,000        | 316,000          | 2,248,000         |
| 101003020300000 Investigation, hearing of cases and legal action | <u>8,151,000</u> | <u>5,827,000</u> | <u>13,978,000</u> |
| National Capital Region (NCR)                                    | <u>4,749,000</u> | <u>2,645,000</u> | <u>7,394,000</u>  |
| Central Office                                                   | 4,190,000        | 2,279,000        | 6,469,000         |
| Manila Extension Office                                          | 559,000          | 366,000          | 925,000           |
| Region I - Ilocos                                                |                  | <u>253,000</u>   | <u>253,000</u>    |
| Dagupan Extension Office                                         |                  | 253,000          | 253,000           |
| Cordillera Administrative Region (CAR)                           |                  | <u>214,000</u>   | <u>214,000</u>    |
| Cordillera Extension Office                                      |                  | 214,000          | 214,000           |
| Region II - Cagayan Valley                                       | <u>559,000</u>   | <u>196,000</u>   | <u>755,000</u>    |
| Tuguegarao Extension Office                                      | 559,000          | 196,000          | 755,000           |
| Region III - Central Luzon                                       | <u>559,000</u>   | <u>246,000</u>   | <u>805,000</u>    |
| Pampanga Extension Office                                        | 559,000          | 246,000          | 805,000           |
| Region IVA - CALABARZON                                          |                  | <u>322,000</u>   | <u>322,000</u>    |
| Calamba Extension Office                                         |                  | 322,000          | 322,000           |
| Region V - Bicol                                                 | <u>559,000</u>   | <u>199,000</u>   | <u>758,000</u>    |
| Naga Extension Office                                            | 559,000          | 199,000          | 758,000           |
| Region VI - Western Visayas                                      |                  | <u>237,000</u>   | <u>237,000</u>    |
| Iloilo Extension Office                                          |                  | 237,000          | 237,000           |
| Region VII - Central Visayas                                     | <u>589,000</u>   | <u>240,000</u>   | <u>829,000</u>    |
| Cebu Extension Office                                            | 589,000          | 240,000          | 829,000           |
| Region VIII - Eastern Visayas                                    |                  | <u>252,000</u>   | <u>252,000</u>    |
| Tacloban Extension Office                                        |                  | 252,000          | 252,000           |
| Region IX - Zamboanga Peninsula                                  |                  | <u>208,000</u>   | <u>208,000</u>    |
| Pagadian Extension Office                                        |                  | 208,000          | 208,000           |
| Region X - Northern Mindanao                                     | <u>577,000</u>   | <u>208,000</u>   | <u>785,000</u>    |
| Cagayan de Oro City Extension Office                             | 577,000          | 208,000          | 785,000           |
| Region XI - Davao                                                |                  | <u>168,000</u>   | <u>168,000</u>    |
| Davao Extension Office                                           |                  | 168,000          | 168,000           |
| Region XII - SOCCSKSARGEN                                        | <u>559,000</u>   | <u>213,000</u>   | <u>772,000</u>    |
| Kidapawan Extension Office                                       | 559,000          | 213,000          | 772,000           |

|                          |               |                |                |
|--------------------------|---------------|----------------|----------------|
| Region XIII - CARAGA     |               | <u>226,000</u> | <u>226,000</u> |
| CARAGA Extension Office  |               | <u>226,000</u> | <u>226,000</u> |
| Sub-total, Operations    | 140,677,000   | 28,523,000     | 169,200,000    |
| TOTAL NEW APPROPRIATIONS | P 219,384,000 | P 100,898,000  | P 9,192,000    |
|                          | =====         | =====          | =====          |

Obligations, by Object of Expenditures

CYs 2014-2016  
(In Thousand Pesos)

|                                                       | <u>2014</u>    | <u>2015</u>    | <u>2016</u>    |
|-------------------------------------------------------|----------------|----------------|----------------|
| Current Operating Expenditures                        |                |                |                |
| Personnel Services                                    |                |                |                |
| Civilian Personnel                                    |                |                |                |
| Permanent Positions                                   |                |                |                |
| Basic Salary                                          | 183,229        | 168,697        | 168,700        |
| Total Permanent Positions                             | <u>183,229</u> | <u>168,697</u> | <u>168,700</u> |
| Other Compensation Common to All                      |                |                |                |
| Personnel Economic Relief Allowance                   | 13,142         | 12,984         | 12,984         |
| Representation Allowance                              | 2,766          | 2,988          | 2,988          |
| Transportation Allowance                              | 2,766          | 2,988          | 2,988          |
| Clothing and Uniform Allowance                        | 2,804          | 2,705          | 2,705          |
| Productivity Incentive Allowance                      | 1,085          | 1,082          |                |
| Year End Bonus                                        | 14,671         | 14,060         | 14,058         |
| Cash Gift                                             | 2,317          | 2,705          | 2,705          |
| Step Increment                                        |                | 424            | 822            |
| Productivity Enhancement Incentive                    | 1,014          |                | 2,705          |
| Performance Based Bonus                               | 2,238          |                |                |
| Total Other Compensation Common to All                | <u>42,803</u>  | <u>39,936</u>  | <u>41,955</u>  |
| Other Compensation for Specific Groups                |                |                |                |
| Other Personnel Benefits                              | 9,764          |                |                |
| Total Other Compensation for Specific Groups          | <u>9,764</u>   |                |                |
| Other Benefits                                        |                |                |                |
| Retirement and Life Insurance Premiums                | 19,870         | 20,246         | 20,246         |
| PAG-IBIG Contributions                                | 651            | 645            | 646            |
| PhilHealth Contributions                              | 1,836          | 1,777          | 1,778          |
| Employees Compensation Insurance Premiums             | 678            | 645            | 646            |
| Retirement Gratuity                                   |                |                | 3,426          |
| Terminal Leave                                        |                |                | 1,412          |
| Total Other Benefits                                  | <u>23,035</u>  | <u>23,313</u>  | <u>28,154</u>  |
| Non-Permanent Positions                               | <u>896</u>     | <u>821</u>     | <u>821</u>     |
| TOTAL PERSONNEL SERVICES                              | <u>259,727</u> | <u>232,767</u> | <u>239,630</u> |
| Maintenance and Other Operating Expenses              |                |                |                |
| Travelling Expenses                                   | 19,310         | 22,054         | 22,439         |
| Training and Scholarship Expenses                     | 8,025          | 6,781          | 12,136         |
| Supplies and Materials Expenses                       | 10,659         | 10,532         | 11,207         |
| Utility Expenses                                      | 7,267          | 7,832          | 7,846          |
| Communication Expenses                                | 5,969          | 6,036          | 8,287          |
| Confidential, Intelligence and Extraordinary Expenses |                |                |                |
| Extraordinary and Miscellaneous Expenses              | 2,422          | 2,320          | 2,699          |
| Professional Services                                 | 3,368          | 1,504          | 1,091          |
| General Services                                      | 7,445          | 8,763          | 10,614         |
| Repairs and Maintenance                               | 3,565          | 3,476          | 3,793          |
| Taxes, Insurance Premiums and Other Fees              | 1,373          | 1,812          | 1,918          |

|                                                       |                |                |                |
|-------------------------------------------------------|----------------|----------------|----------------|
| Other Maintenance and Operating Expenses              |                |                |                |
| Advertising Expenses                                  | 136            | 547            | 534            |
| Printing and Publication Expenses                     | 634            | 984            | 875            |
| Representation Expenses                               | 4,535          | 6,505          | 7,708          |
| Transportation and Delivery Expenses                  | 78             | 62             | 227            |
| Rent/Lease Expenses                                   | 7,714          | 9,501          | 8,614          |
| Membership Dues and Contributions to Organizations    | 142            | 538            | 615            |
| Subscription Expenses                                 | 110            | 205            | 295            |
| Litigation/Acquired Assets Expenses                   | 2,222          |                |                |
| Other Maintenance and Operating Expenses              | 60             |                |                |
| <b>TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES</b> | <u>85,034</u>  | <u>89,452</u>  | <u>100,898</u> |
| <b>TOTAL CURRENT OPERATING EXPENDITURES</b>           | <u>344,761</u> | <u>322,219</u> | <u>340,528</u> |
| <b>Capital Outlays</b>                                |                |                |                |
| Property, Plant and Equipment Outlay                  |                |                |                |
| Buildings and Other Structures                        | 4,068          | 15,905         |                |
| Machinery and Equipment Outlay                        | 15             | 660            | 2,575          |
| Transportation Equipment Outlay                       | 1,168          | 1,591          | 2,432          |
| Furniture, Fixtures and Books Outlay                  |                | 310            |                |
| Intangible Assets Outlay                              |                |                | 4,185          |
| <b>TOTAL CAPITAL OUTLAYS</b>                          | <u>5,251</u>   | <u>18,466</u>  | <u>9,192</u>   |
| <b>GRAND TOTAL</b>                                    | <u>350,012</u> | <u>340,685</u> | <u>349,720</u> |

**H. INSURANCE COMMISSION**

**STRATEGIC OBJECTIVES**

**MANDATE** : To safeguard the rights, welfare and interest of the insuring public; promote growth and financial stability of insurance companies; establish a sound national insurance market; professionalize insurance services; develop insurance consciousness among the general populace.

**VISION** : By 2020, as regulator, we shall provide an opportunity for every Filipino to secure insurance protection and we shall observe practices at par with regional and global standards.

**MISSION** : We are committed to protect the interest and welfare of the insuring public and to develop and strengthen the insurance industry.

**KEY RESULT AREAS** : Anti-Corruption/Transparent, Accountable and Participatory Governance

**SECTOR OUTCOME** : Financial Sector Stability and Growth

**ORGANIZATIONAL OUTCOME** : 1. Insurance Industry Growth and Stability Improved

**SECTION 1 : EXPENDITURE PROGRAM  
(in pesos)**

| No./ Code                  | GASS / STO / OPERATIONS / PROJECTS | 2014 Actual        | 2015 Current       | 2016 Proposed      |
|----------------------------|------------------------------------|--------------------|--------------------|--------------------|
| 000001000000000            | General Administration and Support | <u>406,242,000</u> | <u>39,730,000</u>  | <u>45,681,000</u>  |
|                            | PS                                 | 31,935,000         | 26,274,000         | 31,934,000         |
|                            | MOOE                               | 49,607,000         | 13,456,000         | 13,745,000         |
|                            | FinEx                              |                    |                    | 1,000              |
|                            | CO                                 | 324,700,000        |                    | 1,000              |
| 000003000000000            | Operations                         | <u>121,734,000</u> | <u>148,752,000</u> | <u>159,353,000</u> |
|                            | PS                                 | 95,081,000         | 88,212,000         | 97,541,000         |
|                            | MOOE                               | 26,653,000         | 60,540,000         | 61,812,000         |
| <b>TOTAL AGENCY BUDGET</b> |                                    | <u>527,976,000</u> | <u>188,482,000</u> | <u>205,034,000</u> |
|                            | PS                                 | 127,016,000        | 114,486,000        | 129,475,000        |
|                            | MOOE                               | 76,260,000         | 73,996,000         | 75,557,000         |
|                            | FinEx                              |                    |                    | 1,000              |
|                            | CO                                 | 324,700,000        |                    | 1,000              |

## STAFFING SUMMARY

|                                      | 2014 | 2015 | 2016 |
|--------------------------------------|------|------|------|
| TOTAL STAFFING                       |      |      |      |
| Total Number of Authorized Positions | 338  | 244  | 323  |
| Total Number of Filled Positions     | 176  | 178  | 203  |

## PROPOSED 2016

| OPERATIONS BY MFO                    | PROPOSED 2016 |      |    |       |
|--------------------------------------|---------------|------|----|-------|
|                                      | PS            | MOOE | CO | TOTAL |
| MFO 1: INSURANCE REGULATION SERVICES | 6,000         |      |    | 6,000 |

SECTION 2 : EXPENDITURE PROGRAM BY CENTRAL / REGIONAL ALLOCATION, 2016  
(in pesos)

| REGION                                       | PS    | MOOE  | CO    | TOTAL |
|----------------------------------------------|-------|-------|-------|-------|
| Regional Allocation (net of Central Office): | 7,000 |       |       | 7,000 |
| National Capital Region (NCR)                | 7,000 |       |       | 7,000 |
| TOTAL AGENCY BUDGET                          | 7,000 |       |       | 7,000 |
|                                              | ===== | ===== | ===== | ===== |

## SECTION 3 : SPECIAL PROVISION(S)

- Insurance Fund. In addition to the amounts appropriated herein, Seventy Five Million Five Hundred Fifty Nine Thousand Pesos (P75,559,000) shall be used to cover the MOOE and Capital Outlay requirements of the Insurance Commission (IC) sourced from the proceeds of premium taxes, constituted into the Insurance Fund in accordance with Section 286 of R.A. No. 8424.

Release of funds shall be subject to the submission of a Special Budget pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292.

The IC shall submit to the DBM, the House Committee on Appropriations and the Senate Committee on Finance, either in printed form or by way of electronic document, quarterly reports on the financial and physical accomplishments. The Commissioner of IC and the Commission's web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are likewise posted in the IC website.

- Funding for Personnel Services. The Personnel Services of the IC shall be sourced from the Pre-need Fund in accordance with Section 5 of R.A. No. 9829: PROVIDED, That any deficiency therefrom may be augmented by the Insurance Fund.

Release of funds shall be subject to the submission of a Special Budget pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292.

- Appropriations for Programs and Specific Activities. The amounts appropriated herein for the programs of the agency shall be used specifically for the following activities in the indicated amounts and conditions:



**SECTION 4 : PERFORMANCE INFORMATION**

KEY STRATEGIES :

| ORGANIZATIONAL OUTCOMES (00s) / PERFORMANCE INDICATORS (PIs)                                           | Baseline                                 | 2016 Targets                                                                                |
|--------------------------------------------------------------------------------------------------------|------------------------------------------|---------------------------------------------------------------------------------------------|
| <b>Insurance Industry Growth and Stability Improved</b>                                                |                                          |                                                                                             |
| Percentage contribution of the Insurance Industry to the Gross Domestic Product Increased              | 2012: 1.31%<br>2013: 1.72%               | 2.5% contribution of the Insurance Industry to the Gross Domestic Product by 2016           |
| Net Worth of Insurance Companies increased                                                             | > or = P250 Million                      | > or = P550M in Net Worth for each Insurance Company by 2016                                |
| Percentage of Insurance Companies and MBAs compliant with Risk Based Capital (RBC) framework increased | FY 2012: 75.8% (no data yet for FY 2013) | 80% of Insurance Companies and MBAs are compliant with the required RBC hurdle rate by 2016 |

| MFO / PIs                                                                                                              | 2016 Targets |
|------------------------------------------------------------------------------------------------------------------------|--------------|
| <b>MFO 1: INSURANCE REGULATION SERVICES</b>                                                                            |              |
| Insurance Licensing Services                                                                                           |              |
| Percentage of applications processed with complete documentation                                                       | 90%          |
| Percentage of license or permit applications processed within 14 days of receipt                                       | 80%          |
| Number of licenses and permits issued                                                                                  | 54,905       |
| Monitoring                                                                                                             |              |
| Number of target entities/reports/disclosures monitored                                                                | 2,504        |
| Percentage of target entities/reports/disclosures monitored for compliance to tariff rules and investment requirements | 90%          |
| Percentage of monitored target entities/reports/disclosures reviewed within the year                                   | 90%          |
| Enforcement                                                                                                            |              |
| Number of entities/reports/disclosures inspected                                                                       | 46,585       |
| Number of violations of tariff rules and investment requirements detected in the last 3 years                          | 238          |
| Percentage of entities/reports/disclosures that have been inspected within the prescribed schedule                     | 90%          |

Appropriations/Obligations

(In Thousand Pesos)

| Description                    | 2014           | 2015           | 2016           |
|--------------------------------|----------------|----------------|----------------|
| New General Appropriations     | 7              | 7              | 7              |
| General Fund                   |                | 7              | 7              |
| R.A. No. 10633                 | 7              |                |                |
| Automatic Appropriations       | 541,838        | 188,475        | 205,027        |
| Special Account                | 541,838        | 188,475        | 205,027        |
| Total Available Appropriations | 541,845        | 188,482        | 205,034        |
| Unused Appropriations          | ( 13,869)      |                |                |
| Unobligated Allotment          | ( 13,869)      |                |                |
| <b>TOTAL OBLIGATIONS</b>       | <b>527,976</b> | <b>188,482</b> | <b>205,034</b> |

Proposed New Appropriations Language  
 For general administration and support, and operations, as indicated hereunder.....P 7,000  
 =====

New Appropriations, by Programs/Activities/Projects

|                                               | Current Operating Expenditures                                                                                                                                                                  |                                          |                 | Total   |
|-----------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|-----------------|---------|
|                                               | Personnel Services                                                                                                                                                                              | Maintenance and Other Operating Expenses | Capital Outlays |         |
| PROGRAMS                                      |                                                                                                                                                                                                 |                                          |                 |         |
| 000001000000000                               | General Administration and Support                                                                                                                                                              | 1,000                                    |                 | 1,000   |
| 103001000100000                               | General management and supervision                                                                                                                                                              | P 1,000                                  |                 | P 1,000 |
| Sub-total, General Administration and Support |                                                                                                                                                                                                 | 1,000                                    |                 | 1,000   |
| 000003000000000                               | Operations                                                                                                                                                                                      | 6,000                                    |                 | 6,000   |
| 000003010000000                               | MFO 1: INSURANCE REGULATION SERVICES                                                                                                                                                            | 6,000                                    |                 | 6,000   |
| 000003010100000                               | Regulatory Services                                                                                                                                                                             | 2,000                                    |                 | 2,000   |
| 101003010100001                               | Promulgation and implementation of policies, rules and regulations                                                                                                                              | 1,000                                    |                 | 1,000   |
| 101003010100002                               | Licensing insurance companies, general agents, brokers, adjusters, and processing of reinsurance treaties and investments of insurance companies, benevolent associations and charitable trusts | 1,000                                    |                 | 1,000   |
| 000003010200000                               | Supervisory Services                                                                                                                                                                            | 3,000                                    |                 | 3,000   |
| 101003010200001                               | Examination of the financial conditions of entities engaged in the insurance business, mutual benefit associations and charitable trusts                                                        | 1,000                                    |                 | 1,000   |
| 101003010200002                               | Review of premium rates imposed by non-life companies and statistical reports of adjusters                                                                                                      | 1,000                                    |                 | 1,000   |
| 101003010200003                               | Evaluation of financial reports of insurance companies, mutual benefits associations and charitable trusts                                                                                      | 1,000                                    |                 | 1,000   |
| 101003010300000                               | Adjudication of claims and complaints involving loss, damage or liability incurred by an insurer under any kind of policy or contract of insurance of suretyship                                | 1,000                                    |                 | 1,000   |
| Sub-total, Operations                         |                                                                                                                                                                                                 | 6,000                                    |                 | 6,000   |
| TOTAL NEW APPROPRIATIONS                      |                                                                                                                                                                                                 | P 7,000                                  |                 | P 7,000 |
|                                               |                                                                                                                                                                                                 | =====                                    |                 | =====   |

Obligations, by Object of ExpendituresCYS 2014-2016  
(In Thousand Pesos)

|                                                       | 2014           | 2015           | 2016           |
|-------------------------------------------------------|----------------|----------------|----------------|
| Current Operating Expenditures                        |                |                |                |
| Personnel Services                                    |                |                |                |
| Civilian Personnel                                    |                |                |                |
| Permanent Positions                                   |                |                |                |
| Basic Salary                                          | 92,370         | 85,847         | 96,736         |
| Total Permanent Positions                             | <u>92,370</u>  | <u>85,847</u>  | <u>96,736</u>  |
| Other Compensation Common to All                      |                |                |                |
| Personnel Economic Relief Allowance                   | 4,635          | 4,272          | 4,872          |
| Representation Allowance                              | 1,683          | 1,728          | 1,872          |
| Transportation Allowance                              | 1,683          | 1,728          | 1,872          |
| Clothing and Uniform Allowance                        | 955            | 890            | 1,015          |
| Productivity Incentive Allowance                      | 342            | 356            |                |
| Year End Bonus                                        | 7,721          | 7,161          | 8,060          |
| Cash Gift                                             | 972            | 890            | 1,015          |
| Productivity Enhancement Incentive                    |                |                | 1,015          |
| Total Other Compensation Common to All                | <u>17,991</u>  | <u>17,025</u>  | <u>19,721</u>  |
| Other Compensation for Specific Groups                |                |                |                |
| Longevity Pay                                         | 14             |                |                |
| Other Personnel Benefits                              | 1,111          |                |                |
| Total Other Compensation for Specific Groups          | <u>1,125</u>   |                |                |
| Other Benefits                                        |                |                |                |
| Retirement and Life Insurance Premiums                | 11,922         | 10,301         | 11,606         |
| PAG-IBIG Contributions                                | 213            | 214            | 243            |
| PhilHealth Contributions                              | 894            | 886            | 926            |
| Employees Compensation Insurance Premiums             | 231            | 213            | 243            |
| Terminal Leave                                        | 2,270          |                |                |
| Total Other Benefits                                  | <u>15,530</u>  | <u>11,614</u>  | <u>13,018</u>  |
| TOTAL PERSONNEL SERVICES                              | <u>127,016</u> | <u>114,486</u> | <u>129,475</u> |
| Maintenance and Other Operating Expenses              |                |                |                |
| Travelling Expenses                                   | 9,035          | 6,865          | 6,865          |
| Training and Scholarship Expenses                     | 9,275          | 10,362         | 10,362         |
| Supplies and Materials Expenses                       | 6,131          | 7,710          | 7,711          |
| Utility Expenses                                      | 7,669          | 9,682          | 9,622          |
| Communication Expenses                                | 4,341          | 6,575          | 6,648          |
| Confidential, Intelligence and Extraordinary Expenses |                |                |                |
| Extraordinary and Miscellaneous Expenses              | 691            | 165            | 165            |
| Professional Services                                 | 1,067          | 6,439          |                |
| General Services                                      | 13,633         | 9,978          | 17,978         |
| Repairs and Maintenance                               | 7,111          | 5,127          | 5,257          |
| Taxes, Insurance Premiums and Other Fees              | 1,062          | 1,961          | 1,930          |
| Other Maintenance and Operating Expenses              |                |                |                |
| Advertising Expenses                                  | 297            | 1,285          | 1,064          |
| Printing and Publication Expenses                     | 545            | 1,014          | 1,235          |
| Representation Expenses                               | 1,186          | 3,382          | 3,382          |
| Rent/Lease Expenses                                   | 437            | 744            | 744            |
| Membership Dues and Contributions to Organizations    | 57             | 2,367          | 2,254          |
| Subscription Expenses                                 | 753            | 338            | 338            |
| Other Maintenance and Operating Expenses              | 12,970         | 2              | 2              |
| TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES        | <u>76,260</u>  | <u>73,996</u>  | <u>75,557</u>  |
| Financial Expenses                                    |                |                |                |
| Bank Charges                                          |                |                | 1              |
| TOTAL FINANCIAL EXPENSES                              |                |                | <u>1</u>       |
| TOTAL CURRENT OPERATING EXPENDITURES                  | <u>203,276</u> | <u>188,482</u> | <u>205,033</u> |

## Capital Outlays

|                                           |                |                |                |
|-------------------------------------------|----------------|----------------|----------------|
| Property, Plant and Equipment Outlay      |                |                |                |
| Land Outlay                               | 308,378        |                |                |
| Machinery and Equipment Outlay            | 8,131          |                |                |
| Transportation Equipment Outlay           | 8,191          |                |                |
| Other Property Plant and Equipment Outlay |                |                | 1              |
| <b>TOTAL CAPITAL OUTLAYS</b>              | <u>324,700</u> |                | <u>1</u>       |
| <b>GRAND TOTAL</b>                        | <u>527,976</u> | <u>188,482</u> | <u>205,034</u> |

## I. NATIONAL TAX RESEARCH CENTER

## STRATEGIC OBJECTIVES

|                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|-------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>MANDATE</b>                | : The National Tax Research Center is mandated to conduct continuing research in taxation "to restructure the tax system and raise the level of tax consciousness among our people to achieve a faster rate of economic growth and to bring about a more equitable distribution of wealth and income".                                                                                                                                                                                                         |
| <b>VISION</b>                 | : Be recognized as the premier tax research institution attached to the Department of Finance (DOF); Be a more motivated and committed team of professionals that will continue to provide high quality research and technical assistance in taxation and other fiscal related matters to the DOF and other branches of the executive, legislature, local government units, the private sector and international institutions; and Be using state-of-the-art technology for information systems and processes. |
| <b>MISSION</b>                | : We are the government institution dedicated to promoting a tax system that will ensure a fair distribution of the tax burden among the Filipino taxpayers.<br>We are committed to recommend necessary improvements in the tax system by conducting quality research on taxation and to provide responsive staff support to fiscal policy makers.<br>We are also committed to provide opportunities for professional growth and to promote the well-being of our personnel.                                   |
| <b>KEY RESULT AREAS</b>       | : Anti-Corruption/Transparent, Accountable and Participatory Governance                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>SECTOR OUTCOME</b>         | : Fiscal Strength                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>ORGANIZATIONAL OUTCOME</b> | : 1. Philippine Tax System Improved                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

SECTION 1 : EXPENDITURE PROGRAM  
(in pesos)

| No. / Code                 | GASS / STO / OPERATIONS / PROJECTS | 2014 Actual       | 2015 Current      | 2016 Proposed     |
|----------------------------|------------------------------------|-------------------|-------------------|-------------------|
| 000001000000000            | General Administration and Support | <u>22,058,000</u> | <u>18,120,000</u> | <u>20,460,000</u> |
|                            | PS                                 | 16,961,000        | 12,223,000        | 12,405,000        |
|                            | MOOE                               | 5,097,000         | 5,897,000         | 5,980,000         |
|                            | CO                                 |                   |                   | 2,075,000         |
| 000003000000000            | Operations                         | <u>26,801,000</u> | <u>28,528,000</u> | <u>29,323,000</u> |
|                            | PS                                 | 20,218,000        | 19,660,000        | 19,765,000        |
|                            | MOOE                               | 6,583,000         | 7,568,000         | 8,258,000         |
|                            | CO                                 |                   | 1,300,000         | 1,300,000         |
| <b>TOTAL AGENCY BUDGET</b> |                                    | <u>48,859,000</u> | <u>46,648,000</u> | <u>49,783,000</u> |
|                            | PS                                 | 37,179,000        | 31,883,000        | 32,170,000        |
|                            | MOOE                               | 11,680,000        | 13,465,000        | 14,238,000        |
|                            | CO                                 |                   | 1,300,000         | 3,375,000         |

## STAFFING SUMMARY

|                                      | 2014 | 2015 | 2016 |
|--------------------------------------|------|------|------|
| TOTAL STAFFING                       |      |      |      |
| Total Number of Authorized Positions | 152  | 152  | 152  |
| Total Number of Filled Positions     | 77   | 77   | 77   |

## PROPOSED 2016

| OPERATIONS BY MFO                  | PROPOSED 2016 |           |           |            |
|------------------------------------|---------------|-----------|-----------|------------|
|                                    | PS            | MOOE      | CO        | TOTAL      |
| MFO 1: TECHNICAL ADVISORY SERVICES | 18,054,000    | 8,258,000 | 1,300,000 | 27,612,000 |

SECTION 2 : EXPENDITURE PROGRAM BY CENTRAL / REGIONAL ALLOCATION, 2016  
(in pesos)

| REGION                                       | PS         | MOOE       | CO        | TOTAL      |
|----------------------------------------------|------------|------------|-----------|------------|
| Regional Allocation (net of Central Office): | 29,423,000 | 14,238,000 | 3,375,000 | 47,036,000 |
| National Capital Region (NCR)                | 29,423,000 | 14,238,000 | 3,375,000 | 47,036,000 |
| TOTAL AGENCY BUDGET                          | 29,423,000 | 14,238,000 | 3,375,000 | 47,036,000 |

## SECTION 3 : SPECIAL PROVISION(S)

- Appropriations for Programs and Specific Activities. The amounts appropriated herein for the programs of the agency shall be used specifically for the following activities in the indicated amounts and conditions:

## SECTION 4 : PERFORMANCE INFORMATION

## KEY STRATEGIES :

- Comprehensive review of the tax system
- Conduct of studies/projects aimed at rationalizing the tax structure and improving tax policy and administration which include:
  - Improvements in direct taxation
  - Improvements in indirect taxation
  - Rationalization of fiscal incentives
  - More effective tax administration
  - Increased capacities of local governments and improvements in local finance
  - Conduct of baseline studies
- Monitoring of compliance of national government agencies (NGAs) to Administrative Order (AO) No. 31 re: revision of fees and charges
- Monitoring of tax collection performance of the BIR regional offices and BOC district ports
- Involvement in Land Administration and Management Project Phase 2-Property Valuation and Taxation Component
- Consultancy to the Executive and Technical Committee on Real Property Valuation pursuant to Department Order No. 6-2010 and BIR Regional Revenue Special Order No. 61-2010
- Technical assistance to Congress and other government agencies

## ORGANIZATIONAL OUTCOMES (OOs) / PERFORMANCE INDICATORS (PIs)

## Philippine Tax System Improved

Findings and recommendations considered in tax policy reforms

## Baseline

No baseline because the target is dependent on the Legislative Policy Agenda of the DOF/Administration

## 2016 Targets

5 Tax studies supportive of tax policy reforms

|                                                                            |                                            |                                                                                                                                           |
|----------------------------------------------------------------------------|--------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|
| Monitoring of Compliance to A0 31 re Revision of Fees and Charges Improved | P30.54 Billion<br>(2013 Actual Collection) | P6.65 Billion projected additional collection from revised fees and charges<br>[P30.54 Billion + (20% x P30.54 Billion) = P36.65 Billion] |
| Applications for Tax Subsidies of GOCCs Evaluated                          | 3 GOCCs                                    | 4 GOCCs will apply for tax subsidy [(3+33.3%(3)=4)                                                                                        |
|                                                                            |                                            | P8 Billion Estimated Tax Subsidy Granted                                                                                                  |
| Tax Information Dissemination and Taxpayer Awareness Enhanced              | N/A                                        | 1000 Recipients of NTRC Publications                                                                                                      |

|                                                                                          |                       |
|------------------------------------------------------------------------------------------|-----------------------|
| <u>MFO / PIs</u>                                                                         | <u>2016 Targets</u>   |
| MFO 1: TECHNICAL ADVISORY SERVICES                                                       |                       |
| Number of evaluations, studies, tax proposals / tax assessments                          | 45,37,16 respectively |
| Percentage of recommendations adopted                                                    | 90%                   |
| Percentage of reviews, evaluations and studies delivered on or before the requested date | 100%                  |

Appropriations/Obligations

(In Thousand Pesos)

| <u>Description</u>                     | <u>2014</u> | <u>2015</u> | <u>2016</u> |
|----------------------------------------|-------------|-------------|-------------|
| New General Appropriations             | 43,776      | 43,901      | 47,036      |
| General Fund                           |             | 43,901      | 47,036      |
| R.A. No. 10633                         | 43,776      |             |             |
| Automatic Appropriations               | 2,939       | 2,747       | 2,747       |
| Retirement and Life Insurance Premiums | 2,939       | 2,747       | 2,747       |
| Continuing Appropriations              | 198         |             |             |
| Unobligated Releases for MOOE          |             |             |             |
| R.A. No. 10352                         | 198         |             |             |
| Budgetary Adjustment(s)                | 2,439       |             |             |
| Transfer(s) from:                      |             |             |             |
| Miscellaneous Personnel Benefits Fund  | 1,242       |             |             |
| Pension and Gratuity Fund              | 1,197       |             |             |
| Total Available Appropriations         | 49,352      | 46,648      | 49,783      |
| Unused Appropriations                  | ( 493)      |             |             |
| Unobligated Allotment                  | ( 493)      |             |             |
| TOTAL OBLIGATIONS                      | 48,859      | 46,648      | 49,783      |
|                                        | =====       | =====       | =====       |

Proposed New Appropriations Language

For general administration and support, and operations, as indicated hereunder.....P 47,036,000  
=====

New Appropriations, by Programs/Activities/Projects

|                                                                                                               | Current Operating Expenditures |                                          |                 |              |
|---------------------------------------------------------------------------------------------------------------|--------------------------------|------------------------------------------|-----------------|--------------|
|                                                                                                               | Personnel Services             | Maintenance and Other Operating Expenses | Capital Outlays | Total        |
| PROGRAMS                                                                                                      |                                |                                          |                 |              |
| 0000010000000000 General Administration and Support                                                           | 11,369,000                     | 5,980,000                                | 2,075,000       | 19,424,000   |
| 1030010001000000 General management and supervision                                                           | P 11,369,000                   | P 5,980,000                              | P 2,075,000     | P 19,424,000 |
| Sub-total, General Administration and Support                                                                 | 11,369,000                     | 5,980,000                                | 2,075,000       | 19,424,000   |
| 0000030000000000 Operations                                                                                   | 18,054,000                     | 8,258,000                                | 1,300,000       | 27,612,000   |
| 0000030100000000 MFO 1: TECHNICAL ADVISORY SERVICES                                                           | 18,054,000                     | 8,258,000                                | 1,300,000       | 27,612,000   |
| 1050030101000000 Tax System and Tax Policy Structure Studies and Surveys                                      | 18,054,000                     | 8,131,000                                | 1,300,000       | 27,485,000   |
| 1050030102000000 Evaluation of Tax Subsidy Requests from Government-Owned and Controlled Corporations (GOCCs) |                                | 127,000                                  |                 | 127,000      |
| Sub-total, Operations                                                                                         | 18,054,000                     | 8,258,000                                | 1,300,000       | 27,612,000   |
| TOTAL NEW APPROPRIATIONS                                                                                      | P 29,423,000                   | P 14,238,000                             | P 3,375,000     | P 47,036,000 |

Obligations, by Object of Expenditures

CYs 2014-2016  
(In Thousand Pesos)

|                                              | 2014   | 2015   | 2016   |
|----------------------------------------------|--------|--------|--------|
| Current Operating Expenditures               |        |        |        |
| Personnel Services                           |        |        |        |
| Civilian Personnel                           |        |        |        |
| Permanent Positions                          |        |        |        |
| Basic Salary                                 | 24,821 | 22,887 | 22,887 |
| Total Permanent Positions                    | 24,821 | 22,887 | 22,887 |
| Other Compensation Common to All             |        |        |        |
| Personnel Economic Relief Allowance          | 1,840  | 1,848  | 1,848  |
| Representation Allowance                     | 558    | 540    | 540    |
| Transportation Allowance                     | 337    | 540    | 540    |
| Clothing and Uniform Allowance               | 390    | 385    | 385    |
| Productivity Incentive Allowance             | 156    | 154    |        |
| Year End Bonus                               | 1,962  | 1,907  | 1,907  |
| Cash Gift                                    | 396    | 385    | 385    |
| Step Increment                               | 18     | 57     | 117    |
| Collective Negotiation Agreement             | 1,072  |        |        |
| Productivity Enhancement Incentive           | 390    |        | 385    |
| Performance Based Bonus                      | 852    |        |        |
| Total Other Compensation Common to All       | 7,971  | 5,816  | 6,107  |
| Other Compensation for Specific Groups       |        |        |        |
| Magna Carta for Public Social Workers        | 24     | 25     | 25     |
| Total Other Compensation for Specific Groups | 24     | 25     | 25     |

|                                                       |               |               |               |
|-------------------------------------------------------|---------------|---------------|---------------|
| Other Benefits                                        |               |               |               |
| Retirement and Life Insurance Premiums                | 2,758         | 2,747         | 2,747         |
| PAG-IBIG Contributions                                | 94            | 93            | 92            |
| PhilHealth Contributions                              | 222           | 223           | 220           |
| Employees Compensation Insurance Premiums             | 93            | 92            | 92            |
| Terminal Leave                                        | 1,196         |               |               |
| Total Other Benefits                                  | <u>4,363</u>  | <u>3,155</u>  | <u>3,151</u>  |
| TOTAL PERSONNEL SERVICES                              | <u>37,179</u> | <u>31,883</u> | <u>32,170</u> |
| Maintenance and Other Operating Expenses              |               |               |               |
| Travelling Expenses                                   | 391           | 470           | 470           |
| Training and Scholarship Expenses                     | 739           | 300           | 863           |
| Supplies and Materials Expenses                       | 999           | 1,800         | 1,903         |
| Utility Expenses                                      | 2,523         | 2,650         | 2,757         |
| Communication Expenses                                | 377           | 800           | 800           |
| Confidential, Intelligence and Extraordinary Expenses |               |               |               |
| Extraordinary and Miscellaneous Expenses              | 115           | 110           | 110           |
| Professional Services                                 | 1,028         | 300           | 300           |
| General Services                                      | 417           | 450           | 450           |
| Repairs and Maintenance                               | 184           | 687           | 687           |
| Taxes, Insurance Premiums and Other Fees              | 80            | 80            | 80            |
| Other Maintenance and Operating Expenses              |               |               |               |
| Advertising Expenses                                  |               | 10            | 10            |
| Printing and Publication Expenses                     | 162           | 280           | 280           |
| Representation Expenses                               | 27            | 88            | 88            |
| Rent/Lease Expenses                                   | 4,595         | 5,380         | 5,380         |
| Membership Dues and Contributions to Organizations    | 15            | 20            | 20            |
| Subscription Expenses                                 | 28            | 40            | 40            |
| TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES        | <u>11,680</u> | <u>13,465</u> | <u>14,238</u> |
| TOTAL CURRENT OPERATING EXPENDITURES                  | <u>48,859</u> | <u>45,348</u> | <u>46,408</u> |
| Capital Outlays                                       |               |               |               |
| Property, Plant and Equipment Outlay                  |               |               |               |
| Machinery and Equipment Outlay                        |               |               | 2,055         |
| Transportation Equipment Outlay                       |               | 1,300         | 1,300         |
| Furniture, Fixtures and Books Outlay                  |               |               | 20            |
| TOTAL CAPITAL OUTLAYS                                 |               | <u>1,300</u>  | <u>3,375</u>  |
| GRAND TOTAL                                           | <u>48,859</u> | <u>46,648</u> | <u>49,783</u> |

#### J. PRIVATIZATION AND MANAGEMENT OFFICE

##### STRATEGIC OBJECTIVES

|                        |                                                                                                                                                                                                                                                                                                 |
|------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| MANDATE                | : Implement the actual marketing/disposition program for government corporations, assets and other properties (E.O. 323). Dispose assets and/or rights, mandated under E.O. 372, transferred to NG and entrusted said assets and/or rights to PMO (E.O. 471).                                   |
| VISION                 | : Promote an orderly, coordinated and efficient privatization/disposition of assets, activities and other properties. Broaden economic base by turning state owned enterprises over to the private sector. Provide more investment and employment opportunities to help attain economic growth. |
| MISSION                | : Take title to and possession of, conserve, provisionally manage, and dispose of assets identified for privatization, and in process, reduce the Government's maintenance expense in non-performing assets and generate maximum cash recovery for the National Government.                     |
| KEY RESULT AREAS       | : Anti-Corruption/Transparent, Accountable and Participatory Governance                                                                                                                                                                                                                         |
| SECTOR OUTCOME         | : Fiscal Strength                                                                                                                                                                                                                                                                               |
| ORGANIZATIONAL OUTCOME | : 1. Effective management and disposition of transferred assets and other government properties                                                                                                                                                                                                 |



**SECTION 1 : EXPENDITURE PROGRAM  
(in pesos)**

| No./ Code           | GASS / STO / OPERATIONS / PROJECTS | 2014 Actual | 2015 Current | 2016 Proposed |
|---------------------|------------------------------------|-------------|--------------|---------------|
| 000001000000000     | General Administration and Support | 17,573,000  | 22,066,000   | 22,178,000    |
|                     | PS                                 | 17,573,000  | 22,066,000   | 22,178,000    |
| 000003000000000     | Operations                         | 16,227,000  | 20,376,000   | 20,376,000    |
|                     | PS                                 | 16,227,000  | 20,376,000   | 20,376,000    |
| TOTAL AGENCY BUDGET |                                    | 33,800,000  | 42,442,000   | 42,554,000    |
|                     | PS                                 | 33,800,000  | 42,442,000   | 42,554,000    |

| OPERATIONS BY MFO                         | PROPOSED 2016 |      |    |            |
|-------------------------------------------|---------------|------|----|------------|
|                                           | PS            | MOOE | CO | TOTAL      |
| MFO 1: PRIVATIZATION OF GOVERNMENT ASSETS | 20,376,000    |      |    | 20,376,000 |

**SECTION 2 : EXPENDITURE PROGRAM BY CENTRAL / REGIONAL ALLOCATION, 2016  
(in pesos)**

| REGION                                       | PS         | MOOE | CO | TOTAL      |
|----------------------------------------------|------------|------|----|------------|
| Regional Allocation (net of Central Office): | 42,554,000 |      |    | 42,554,000 |
| National Capital Region (NCR)                | 42,554,000 |      |    | 42,554,000 |
| TOTAL AGENCY BUDGET                          | 42,554,000 |      |    | 42,554,000 |

**SECTION 3 : SPECIAL PROVISION(S)**

1. Revolving Fund for the Conservation and Disposition of Assets. The revolving fund shall be used for expenses incurred by the Privatization and Management Office (PMO) in the conservation and disposition of assets, including fees of financial advisers, sourced from:

(a) Commissions, due diligence fees and sale of bidding documents;

(b) Not more than ten percent (10%) of the proceeds from the disposition of GOCCs, assets and idle properties, as approved by the Privatization Council in accordance with Proclamation No. 50 dated December 15, 1986 and E.O. No. 323, s. 2000; and

(c) Not more than ten percent (10%) of the proceeds realized from the disposition of properties of abolished government corporations and former enemy-owned entities of the Board of Liquidators beginning FY 2007 and succeeding years in accordance with E.O. No. 471, s. 2005: PROVIDED, That ninety percent (90%) of said proceeds shall be deposited with the National Treasury as income of the General Fund pursuant to Section 44, Chapter 5, Book VI of E.O. No. 292 and Section 65 of P.D. No. 1445.

Disbursements or expenditures by the PMO 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 and to appropriate criminal action under existing penal laws.

The PMO shall submit to the DBM, the House Committee on Appropriations and the Senate Committee on Finance, either in printed form or by way of electronic document, quarterly reports on income and expenditure. The Chief of PMO and the Office's web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are likewise posted on the PMO website.

2. Appropriations for Programs and Specific Activities. The amounts appropriated herein for the programs of the agency shall be used specifically for the following activities in the indicated amounts and conditions:

## SECTION 4 : PERFORMANCE INFORMATION

## KEY STRATEGIES :

Generate proceeds from the sale of real estate properties and intensify the collection of receivables.

| ORGANIZATIONAL OUTCOMES (Oos) / PERFORMANCE INDICATORS (PIs)                                                                                                        | Baseline                                         | 2016 Targets                                                               |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|----------------------------------------------------------------------------|
| <b>Effective management and disposition of transferred assets and other government properties</b>                                                                   |                                                  |                                                                            |
| Percentage of remittance over the fair market value of the assets disposed increased                                                                                | 90% of proceeds (per Sec. 6, Art. III of EO 323) | % increase of remittance over the fair market value of the assets disposed |
| <u>MFO / PIs</u>                                                                                                                                                    |                                                  | <u>2016 Targets</u>                                                        |
| <b>MFO 1: PRIVATIZATION OF GOVERNMENT ASSETS</b>                                                                                                                    |                                                  |                                                                            |
| Sale/Disposition of assets and other properties assigned by the Privatization Council                                                                               |                                                  |                                                                            |
| Number of Assets Sales Completed                                                                                                                                    |                                                  | 5                                                                          |
| Value of Asset Sale Proceeds                                                                                                                                        |                                                  | P529,534,000                                                               |
| Actual asset sale proceeds less the estimated market value of assets                                                                                                |                                                  | 0                                                                          |
| Average number of days from date of Council approval of asset disposition to date of receipt of sale proceeds or date of transfer of ownership (whichever is later) |                                                  | 60                                                                         |
| Management of Assets Held in Trust Prior to Privatization                                                                                                           |                                                  |                                                                            |
| Number of assets under management                                                                                                                                   |                                                  | 131                                                                        |
| Value of assets under management                                                                                                                                    |                                                  | 52,000,000,000                                                             |
| Average change in estimated value of assets under management from beginning of year to end of year or earlier date of sale                                          |                                                  | 0                                                                          |
| Percentage of assets for which the financial accounts are produced within 30 days of the end of the financial year                                                  |                                                  | 8                                                                          |

Appropriations/Obligations

(In Thousand Pesos)

| <u>Description</u>                    | <u>2014</u> | <u>2015</u> | <u>2016</u> |
|---------------------------------------|-------------|-------------|-------------|
| New General Appropriations            | 42,442      | 42,442      | 42,554      |
| General Fund                          |             | 42,442      | 42,554      |
| R.A. No. 10633                        | 42,442      |             |             |
| Budgetary Adjustment(s)               | 1,027       |             |             |
| Transfer(s) from:                     |             |             |             |
| Miscellaneous Personnel Benefits Fund | 618         |             |             |
| Pension and Gratuity Fund             | 409         |             |             |
| Total Available Appropriations        | 43,469      | 42,442      | 42,554      |
| Unused Appropriations                 | ( 9,669)    |             |             |
| Unobligated Allotment                 | ( 9,669)    |             |             |
| TOTAL OBLIGATIONS                     | 33,800      | 42,442      | 42,554      |
|                                       | =====       | =====       | =====       |

Proposed New Appropriations Language  
 For general administration and support, and operations, as indicated hereunder.....P 42,554,000  
 =====

New Appropriations, by Programs/Activities/Projects

|                                                                                | Personnel Services    | Current Operating Expenditures           |                 | Total                 |
|--------------------------------------------------------------------------------|-----------------------|------------------------------------------|-----------------|-----------------------|
|                                                                                |                       | Maintenance and Other Operating Expenses | Capital Outlays |                       |
| PROGRAMS                                                                       |                       |                                          |                 |                       |
| 0000010000000000 General Administration and Support                            | 22,178,000            |                                          |                 | 22,178,000            |
| 1030010001000000 General management and supervision                            | P 22,178,000          |                                          |                 | P 22,178,000          |
| Sub-total, General Administration and Support                                  | 22,178,000            |                                          |                 | 22,178,000            |
| 0000030000000000 Operations                                                    | 20,376,000            |                                          |                 | 20,376,000            |
| 0000030100000000 MFO 1: PRIVATIZATION OF GOVERNMENT ASSETS                     | 20,376,000            |                                          |                 | 20,376,000            |
| 1010030101000000 Conservation, Sale/Disposition of assets and other properties | 20,376,000            |                                          |                 | 20,376,000            |
| Sub-total, Operations                                                          | 20,376,000            |                                          |                 | 20,376,000            |
| TOTAL NEW APPROPRIATIONS                                                       | P 42,554,000<br>===== |                                          |                 | P 42,554,000<br>===== |

Obligations, by Object of Expenditures

CYs 2014-2016  
 (In Thousand Pesos)

|                                | 2014   | 2015   | 2016   |
|--------------------------------|--------|--------|--------|
| Current Operating Expenditures |        |        |        |
| Personnel Services             |        |        |        |
| Civilian Personnel             |        |        |        |
| Non-Permanent Positions        | 33,800 | 42,442 | 42,554 |
| TOTAL PERSONNEL SERVICES       | 33,800 | 42,442 | 42,554 |
| GRAND TOTAL                    | 33,800 | 42,442 | 42,554 |

**K. SECURITIES AND EXCHANGE COMMISSION**

**STRATEGIC OBJECTIVES**

MANDATE : The SEC is the national government regulatory agency charged with supervision over the corporate sector, the capital market participants, the securities investment instruments market, and the investing public. The Commission was tasked to regulate the sale and registration of securities, exchanges, brokers, dealers and salesmen. Subsequent laws were enacted to encourage investments and more active public participation in the affairs of private corporations and enterprises to broaden the Commission's mandates, powers and functions; and in recent years, to give greater focus on the Commission's role in capital market development, fostering good governance and enhancing investor protection.

Subsequent laws enacted to broaden the Commission's mandates, powers, and functions were:  
 (1) The SEC Reorganization Act or Presidential Decree (PD) 902-A in 1976 as subsequently amended by PDs 1653, 1758 and 1799, which reorganized the Commission to give it ample powers to protect the public and their investments;

- (2) The Corporation Code of the Philippines or the Batas Pambansa (BP) 68 in 1980, which gave the mandate to register corporations, collect fees from registering corporations, and prescribe reportorial requirements;
- (3) The Revised Securities Act or BP 178 in 1982, which repealed CA 83 in its entirety to give way to a new statute that would enable the SEC to keep pace with new and more complex securities instruments, trading vehicles and strategies; and
- (4) The Securities Regulation Code (SRC) or Republic Act (RA) 8799 in 2000, which provided for the SEC reorganization to give greater focus on the Commission's role in capital market development, fostering good governance and enhancing investor protection.

Today, the SEC is tasked with "serious responsibility of enforcing all laws affecting corporations and other forms of associations not otherwise vested in some other government offices." In addition to the aforementioned laws, the Commission also implements and acts either as lead or support agency in administering and enforcing special laws, the more significant of which are:

- (a) Anti-Money Laundering Act of 2001 (RA 9160, as amended);
- (b) Credit Information System Act of 2008 (RA 9510);
- (c) Lending Company Regulation Act of 2007 (RA 9474);
- (d) Financing Company Act (RA 5980, as amended);
- (e) Investment Company Act (RA 2629, as amended);
- (f) Investment Houses Law (PD 129);
- (g) Retail Trade Liberalization Act of 2000 (RA 8762);
- (h) Foreign Investments Act of 1991 (RA 7402, as amended);
- (i) Omnibus Investment Code (E.O. 226, Book III);
- (j) Anti-Dummy Law (Commonwealth Act 108, as amended);
- (k) Civil Code of the Philippines (RA 386, Title IX - Partnership);
- (l) Securitization Act of 2004 (RA 9267);
- (m) Special Purpose Vehicle Act of 2002 (RA 9182);
- (n) Access Devices Regulation Act of 1999 (RA 8484);
- (o) Real Estate Investment Trust Act of 2009 (RA 9856);
- (p) Personal Equity and Retirement Account Act of 2008 (RA 9505)

**VISION** : We envision that, by December 31, 2015, the Commission has fully implemented its three-year program to build its physical and ICT infrastructure, and harnessed the skills and expertise of highly competent and motivated staff, for the efficient and effective performance of its duties and responsibilities.

**MISSION** : To strengthen the corporate and capital market infrastructure of the Philippines, and to maintain a regulatory system, based on international best standards and practices, that promotes the interests of investors in a free, fair and competitive business environment. We shall be guided in this mission by the values of integrity, professionalism, accountability, independence and initiative.

**KEY RESULT AREAS** : Anti-Corruption/Transparent, Accountable and Participatory Governance

**SECTOR OUTCOME** : (1) Resilient and inclusive financial system, and  
(2) Good governance

**ORGANIZATIONAL OUTCOME** : 1. Corporate and capital market infrastructure strengthened

**SECTION 1 : EXPENDITURE PROGRAM  
(in pesos)**

| No. / Code                 | GASS / STO / OPERATIONS / PROJECTS | 2014 Actual        | 2015 Current       | 2016 Proposed      |
|----------------------------|------------------------------------|--------------------|--------------------|--------------------|
| 000001000000000            | General Administration and Support | 149,691,000        | 392,563,000        | 365,024,000        |
|                            | PS                                 | 68,738,000         | 227,816,000        | 232,183,000        |
|                            | MOOE                               | 80,407,000         | 132,647,000        | 132,841,000        |
|                            | CO                                 | 546,000            | 32,100,000         |                    |
| 000002000000000            | Support to Operations              | 11,457,000         | 17,740,000         | 90,080,000         |
|                            | PS                                 | 4,702,000          | 4,954,000          | 5,661,000          |
|                            | MOOE                               | 6,755,000          | 10,417,000         | 10,566,000         |
|                            | CO                                 |                    | 2,369,000          | 73,853,000         |
| 000003000000000            | Operations                         | 150,174,000        | 177,977,000        | 176,219,000        |
|                            | PS                                 | 103,933,000        | 89,116,000         | 113,798,000        |
|                            | MOOE                               | 46,241,000         | 61,230,000         | 62,421,000         |
|                            | CO                                 |                    | 27,631,000         |                    |
| <b>TOTAL AGENCY BUDGET</b> |                                    | <b>311,322,000</b> | <b>588,280,000</b> | <b>631,323,000</b> |
|                            | PS                                 | 177,373,000        | 321,886,000        | 351,642,000        |
|                            | MOOE                               | 133,403,000        | 204,294,000        | 205,828,000        |
|                            | CO                                 | 546,000            | 62,100,000         | 73,853,000         |

STAFFING SUMMARY

|                                      | 2014 | 2015 | 2016 |
|--------------------------------------|------|------|------|
| TOTAL STAFFING                       |      |      |      |
| Total Number of Authorized Positions | 476  | 475  | 475  |
| Total Number of Filled Positions     | 392  | 392  | 393  |

PROPOSED 2016

| OPERATIONS BY MFO                                        | PS          | MOOE       | CO | TOTAL       |
|----------------------------------------------------------|-------------|------------|----|-------------|
| MFO 1: CORPORATE AND CAPITAL MARKET DEVELOPMENT SERVICES |             | 33,666,000 |    | 33,666,000  |
| MFO 2: CORPORATE AND CAPITAL MARKET REGULATION SERVICES  | 104,028,000 | 28,755,000 |    | 132,783,000 |

SECTION 2 : EXPENDITURE PROGRAM BY CENTRAL / REGIONAL ALLOCATION, 2016  
(in pesos)

| REGION                                       | PS          | MOOE        | CO         | TOTAL       |
|----------------------------------------------|-------------|-------------|------------|-------------|
| Regional Allocation (net of Central Office): | 335,770,000 | 205,828,000 | 73,853,000 | 615,451,000 |
| National Capital Region (NCR)                | 335,770,000 | 205,828,000 | 73,853,000 | 615,451,000 |
| TOTAL AGENCY BUDGET                          | 335,770,000 | 205,828,000 | 73,853,000 | 615,451,000 |

SECTION 3 : SPECIAL PROVISION(S)

1. Registration and Filing Fees. In addition to the amounts appropriated herein, the amount of One Hundred Million Pesos (P100,000,000) sourced from registration and filing fees collected by the Securities and Exchange Commission (SEC) shall be used to augment its MOOE and Capital Outlay requirements in accordance with Section 75 of R.A. No. 8799.

Disbursements or expenditures by the SEC 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 and to appropriate criminal action under existing penal laws.

The SEC shall submit to the DBM, the House Committee on Appropriations and the Senate Committee on Finance, either in printed form or by way of electronic document, separate quarterly reports on financial and physical accomplishments. The Chairperson of SEC and the Commission's web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are likewise posted on the SEC website.

2. Funding for Salary Adjustments and Creation of Additional Positions. The amount of One Hundred Sixty Four Million Eight Hundred Forty Seven Thousand Pesos (P164,847,000) appropriated herein under Personnel Services shall be used for the following: (i) salary adjustment of SEC personnel subject to the approval of the President of the Philippines in accordance with Section 6 of PD No. 1597 and Item 9 of Congress Joint Resolution No. 4 dated June 17, 2009; and (ii) creation of additional positions subject to the approval of the DBM.

Release of funds shall be subject to the submission of a Special Budget pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292

Disbursements or expenditures by the SEC 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 and to appropriate criminal action under existing penal laws.

3. Submission of Annual Operating Budget for Retained Income and Audited Financial Statement. The SEC shall prepare and submit to the DBM not later than November 15 of the preceding year, the annual operating budget for the current fiscal year covering its retained 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.

4. Appropriations for Programs and Specific Activities. The amounts appropriated herein for the programs of the agency shall be used specifically for the following activities in the indicated amounts and conditions:

**SECTION 4 : PERFORMANCE INFORMATION**

KEY STRATEGIES :

| ORGANIZATIONAL OUTCOMES (Oos) / PERFORMANCE INDICATORS (PIs)                                                                                                                  | Baseline                                                                                                          | 2016 Targets                                             |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|
| <b>Corporate and capital market infrastructure strengthened</b>                                                                                                               |                                                                                                                   |                                                          |
| Volume and value of IPOs, securities and corporate bonds registered and value of authorized capital stock and foreign direct investments increased                            |                                                                                                                   | 5% increase from the average of the last three (3) years |
| Total number of applications for registration, licensure and accreditation processed and approved increased                                                                   | 10,000 (FY 2014 target number of registrations approved and licenses issued based on approved 2014 Physical Plan) | 5% increase from 2014 target (10,500)                    |
| Total number of regulated entities and individuals monitored and evaluated as compliant with SEC rules and regulations increased                                              | 20,427 (FY 2014 target number of entities monitored and evaluated based on approved 2014 Physical Plan)           | 5% increase from 2014 target (21,448)                    |
| <u>MFO / PIs</u>                                                                                                                                                              |                                                                                                                   | <u>2016 Targets</u>                                      |
| <b>MFO 1: CORPORATE AND CAPITAL MARKET DEVELOPMENT SERVICES</b>                                                                                                               |                                                                                                                   |                                                          |
| PI SET 1 - Policy measures implemented to enhance the regulatory framework and foster continued growth of the capital market in particular and the business sector in general |                                                                                                                   |                                                          |
| No. of planned measures promulgated/implemented                                                                                                                               |                                                                                                                   | 10                                                       |
| Percentage of measures promulgated/implemented that are rated good or better                                                                                                  |                                                                                                                   | 100%                                                     |
| Percentage of measures promulgated/implemented within the prescribed timeframe                                                                                                |                                                                                                                   | 100%                                                     |
| PI SET 2 - Technical Assistance                                                                                                                                               |                                                                                                                   |                                                          |
| Number of technical assistance rendered                                                                                                                                       |                                                                                                                   | 0                                                        |
| Percentage of clients who rate the technical assistance as good or better                                                                                                     |                                                                                                                   | 100%                                                     |
| Percentage of requests for technical assistance that are acted upon within the prescribed timeframe                                                                           |                                                                                                                   | 100%                                                     |
| <b>MFO 2: CORPORATE AND CAPITAL MARKET REGULATION SERVICES</b>                                                                                                                |                                                                                                                   |                                                          |
| Registration/ Licensing Services                                                                                                                                              |                                                                                                                   |                                                          |
| Number of registrations approved and licenses issued                                                                                                                          |                                                                                                                   | 11,500                                                   |
| Percentage of applications processed pursuant to standard processing procedures and timeframe                                                                                 |                                                                                                                   | 100%                                                     |
| Percentage of license or permit applications and renewals processed within standard processing timeframe                                                                      |                                                                                                                   | 100%                                                     |
| Monitoring                                                                                                                                                                    |                                                                                                                   |                                                          |
| Number of target entities/reports/ disclosures monitored and evaluated                                                                                                        |                                                                                                                   | 70,780                                                   |
| Percentage of target entities/reports/ disclosures monitored and evaluated pursuant to standard monitoring and evaluating parameters                                          |                                                                                                                   | 100%                                                     |
| Percentage of target entities/reports/disclosures monitored and evaluated within standard timeframe                                                                           |                                                                                                                   | 100%                                                     |
| Enforcement                                                                                                                                                                   |                                                                                                                   |                                                          |
| Percentage of errant firms and individuals imposed the appropriate fines and/or penalties                                                                                     |                                                                                                                   | 100%                                                     |
| Percentage of enforcement activities undertaken in accordance with rules, regulations and standards                                                                           |                                                                                                                   | 100%                                                     |
| Percentage of enforcement activities undertaken within standard timeframe                                                                                                     |                                                                                                                   | 100%                                                     |

Appropriations/Obligations

(In Thousand Pesos)

| <u>Description</u>                                         | <u>2014</u> | <u>2015</u> | <u>2016</u> |
|------------------------------------------------------------|-------------|-------------|-------------|
| New General Appropriations                                 | 540,680     | 574,729     | 615,451     |
| General Fund<br>R.A. No. 10633                             | 540,680     | 574,729     | 615,451     |
| Automatic Appropriations                                   | 15,497      | 13,551      | 15,872      |
| Retirement and Life Insurance Premiums                     | 15,497      | 13,551      | 15,872      |
| Continuing Appropriations                                  |             | 85,894      |             |
| Unobligated Releases for Capital Outlays<br>R.A. No. 10633 |             | 1,454       |             |
| Unobligated Releases for MOOE<br>R.A. No. 10633            |             | 84,440      |             |
| Budgetary Adjustment(s)                                    | 5,937       |             |             |
| Transfer(s) from:<br>Miscellaneous Personnel Benefits Fund | 4,830       |             |             |
| Pension and Gratuity Fund                                  | 1,107       |             |             |
| Total Available Appropriations                             | 562,114     | 674,174     | 631,323     |
| Unused Appropriations                                      | ( 250,792)  | ( 85,894)   |             |
| Unobligated Allotment                                      | ( 250,792)  | ( 85,894)   |             |
| TOTAL OBLIGATIONS                                          | 311,322     | 588,280     | 631,323     |

Proposed New Appropriations Language

For general administration and support, support to operations, and operations, as indicated hereunder.....P 615,451,000  
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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>  |
| PROGRAMS                                                                                                           |                                       |                                                 |                        |               |
| 0000010000000000 General Administration and Support                                                                | 226,565,000                           | 132,841,000                                     |                        | 359,406,000   |
| 103001000100000 General management and supervision                                                                 | P 60,324,000                          | P 132,841,000                                   |                        | P 193,165,000 |
| 103001000200000 Administration of Personnel Benefits                                                               | 166,241,000                           |                                                 |                        | 166,241,000   |
| Sub-total, General Administration and Support                                                                      | 226,565,000                           | 132,841,000                                     |                        | 359,406,000   |
| 0000020000000000 Support to Operations                                                                             | 5,177,000                             | 10,566,000                                      | 73,853,000             | 89,596,000    |
| 103002000100000 Development, maintenance and administration of information systems, databases and website          | 5,177,000                             | 3,148,000                                       | 73,853,000             | 82,178,000    |
| 101002000200000 Conduct of public seminars and related activities for investment-promotion and investor protection |                                       | 5,314,000                                       |                        | 5,314,000     |

|                                  |                                                                                                                                                                                                |               |               |              |               |
|----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|---------------|--------------|---------------|
| 101002000300000                  | Development and dissemination<br>of information materials for the public                                                                                                                       |               | 2,104,000     |              | 2,104,000     |
| Sub-total, Support to Operations |                                                                                                                                                                                                | 5,177,000     | 10,566,000    | 73,853,000   | 89,596,000    |
| 000003000000000                  | Operations                                                                                                                                                                                     | 104,028,000   | 62,421,000    |              | 166,449,000   |
| 000003010000000                  | MFO 1: CORPORATE AND CAPITAL<br>MARKET DEVELOPMENT SERVICES                                                                                                                                    |               | 33,666,000    |              | 33,666,000    |
| 000003010100000                  | Capital Market Development<br>Services                                                                                                                                                         |               | 33,666,000    |              | 33,666,000    |
| 101003010100001                  | Formulation of policies, plans<br>and programs for capital market                                                                                                                              |               | 31,781,000    |              | 31,781,000    |
| 101003010100002                  | Provision of technical<br>assistance and inter-agency activities                                                                                                                               |               | 1,420,000     |              | 1,420,000     |
| 101003010100003                  | Rendering of opinions and<br>interpretative issuances                                                                                                                                          |               | 465,000       |              | 465,000       |
| 000003020000000                  | MFO 2: CORPORATE AND CAPITAL<br>MARKET REGULATION SERVICES                                                                                                                                     | 104,028,000   | 28,755,000    |              | 132,783,000   |
| 000003020100000                  | Registration,<br>Compliance-Monitoring and Enforcement                                                                                                                                         | 104,028,000   | 28,755,000    |              | 132,783,000   |
| 101003020100001                  | Registration/licensing of<br>corporations, capital market participants,<br>securities and investment instruments                                                                               | 78,346,000    | 21,791,000    |              | 100,137,000   |
| 101003020100002                  | Conduct of audits, inspection,<br>verification and/or examination of<br>operations/activities, including the corporate<br>reports, financial records, and disclosures by<br>regulated entities |               | 1,779,000     |              | 1,779,000     |
| 101003020100003                  | Impositions of enforcement<br>actions against errant entities subjected to<br>compliance-monitoring and investigative<br>activities                                                            | 25,682,000    | 5,185,000     |              | 30,867,000    |
| Sub-total, Operations            |                                                                                                                                                                                                | 104,028,000   | 62,421,000    |              | 166,449,000   |
| TOTAL NEW APPROPRIATIONS         |                                                                                                                                                                                                | P 335,770,000 | P 205,828,000 | P 73,853,000 | P 615,451,000 |

Obligations, by Object of Expenditures

CYs 2014-2016  
(In Thousand Pesos)

|                                     | 2014    | 2015    | 2016    |
|-------------------------------------|---------|---------|---------|
| Current Operating Expenditures      |         |         |         |
| Personnel Services                  |         |         |         |
| Civilian Personnel                  |         |         |         |
| Permanent Positions                 |         |         |         |
| Basic Salary                        | 129,140 | 112,923 | 132,262 |
| Total Permanent Positions           | 129,140 | 112,923 | 132,262 |
| Other Compensation Common to All    |         |         |         |
| Personnel Economic Relief Allowance | 4,677   | 8,256   | 9,432   |
| Representation Allowance            | 3,061   | 3,426   | 4,200   |
| Transportation Allowance            | 2,237   | 3,426   | 4,200   |
| Clothing and Uniform Allowance      | 1,962   | 1,720   | 1,965   |
| Productivity Incentive Allowance    | 1,887   | 688     |         |
| Overtime Pay                        | 906     |         |         |
| Year End Bonus                      | 10,761  | 9,410   | 11,022  |
| Cash Gift                           | 1,292   | 1,720   | 1,965   |
| Step Increment                      |         |         | 295     |
| Productivity Enhancement Incentive  |         |         | 1,965   |



|                                                       |         |         |         |
|-------------------------------------------------------|---------|---------|---------|
| Total Other Compensation Common to All                | 26,783  | 28,646  | 35,044  |
| Other Compensation for Specific Groups                |         |         |         |
| Allowance of Attorney's de Officio                    | 309     |         |         |
| Lump-sum for Personnel Services                       |         | 164,847 | 164,847 |
| Total Other Compensation for Specific Groups          | 309     | 164,847 | 164,847 |
| Other Benefits                                        |         |         |         |
| Retirement and Life Insurance Premiums                | 15,497  | 13,551  | 15,872  |
| PAG-IBIG Contributions                                | 467     | 413     | 472     |
| PhilHealth Contributions                              | 396     | 1,093   | 1,279   |
| Employees Compensation Insurance Premiums             | 399     | 413     | 472     |
| Terminal Leave                                        | 1,107   |         | 1,394   |
| Total Other Benefits                                  | 17,866  | 15,470  | 19,489  |
| Other Personnel Benefits                              |         |         |         |
| Pension, Civilian Personnel                           | 3,275   |         |         |
| Total Other Personnel Benefits                        | 3,275   |         |         |
| TOTAL PERSONNEL SERVICES                              | 177,373 | 321,886 | 351,642 |
| Maintenance and Other Operating Expenses              |         |         |         |
| Travelling Expenses                                   | 1,253   | 1,170   | 1,184   |
| Training and Scholarship Expenses                     | 2,157   | 3,318   | 3,318   |
| Supplies and Materials Expenses                       | 14,912  | 9,316   | 9,316   |
| Utility Expenses                                      | 22,298  | 22,229  | 22,749  |
| Communication Expenses                                | 11,970  | 8,681   | 9,681   |
| Confidential, Intelligence and Extraordinary Expenses |         |         |         |
| Extraordinary and Miscellaneous Expenses              | 4,093   | 3,612   | 3,612   |
| Professional Services                                 | 5,923   | 1,009   | 1,009   |
| General Services                                      | 29,933  | 14,082  | 14,082  |
| Repairs and Maintenance                               | 16,086  | 3,769   | 3,769   |
| Taxes, Insurance Premiums and Other Fees              | 1,298   | 1,782   | 1,782   |
| Other Maintenance and Operating Expenses              |         |         |         |
| Advertising Expenses                                  | 1,467   | 2,094   | 2,474   |
| Printing and Publication Expenses                     | 294     | 736     | 356     |
| Representation Expenses                               | 22      | 425     | 425     |
| Transportation and Delivery Expenses                  |         | 163     | 163     |
| Rent/Lease Expenses                                   | 19,745  | 130,419 | 130,419 |
| Membership Dues and Contributions to Organizations    | 1,014   | 654     | 654     |
| Subscription Expenses                                 | 791     | 404     | 404     |
| Other Maintenance and Operating Expenses              | 147     | 431     | 431     |
| TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES        | 133,403 | 204,294 | 205,828 |
| TOTAL CURRENT OPERATING EXPENDITURES                  | 310,776 | 526,180 | 557,470 |
| Capital Outlays                                       |         |         |         |
| Property, Plant and Equipment Outlay                  |         |         |         |
| Buildings and Other Structures                        |         | 40,000  |         |
| Machinery and Equipment Outlay                        | 500     | 10,000  |         |
| Transportation Equipment Outlay                       |         | 12,100  |         |
| Furniture, Fixtures and Books Outlay                  | 46      |         |         |
| Intangible Assets Outlay                              |         |         | 73,853  |
| TOTAL CAPITAL OUTLAYS                                 | 546     | 62,100  | 73,853  |
| GRAND TOTAL                                           | 311,322 | 588,280 | 631,323 |

GENERAL SUMMARY  
DEPARTMENT OF FINANCE

|                                                 | Current Operating Expenditures |                                                   |                       |                    |                  |
|-------------------------------------------------|--------------------------------|---------------------------------------------------|-----------------------|--------------------|------------------|
|                                                 | Personnel<br>Services          | Maintenance<br>and Other<br>Operating<br>Expenses | Financial<br>Expenses | Capital<br>Outlays | Total            |
| A. OFFICE OF THE SECRETARY                      | P 229,112,000                  | P 326,147,000                                     |                       | P 2,037,484,000    | P 2,592,743,000  |
| B. BUREAU OF CUSTOMS                            | 1,236,786,000                  | 1,425,831,000                                     |                       | 104,200,000        | 2,766,817,000    |
| C. BUREAU OF INTERNAL REVENUE                   | 3,403,893,000                  | 3,399,397,000                                     | 149,899,000           | 3,631,446,000      | 10,584,635,000   |
| D. BUREAU OF LOCAL GOVERNMENT FINANCE           | 118,749,000                    | 77,397,000                                        |                       | 18,379,000         | 214,525,000      |
| E. BUREAU OF THE TREASURY                       | 399,263,000                    | 330,959,000                                       | 700,000,000           | 236,193,000        | 1,666,415,000    |
| F. CENTRAL BOARD OF ASSESSMENT APPEALS          | 5,463,000                      | 1,286,000                                         |                       | 519,000            | 7,268,000        |
| G. COOPERATIVE DEVELOPMENT AUTHORITY            | 219,384,000                    | 100,898,000                                       |                       | 9,192,000          | 329,474,000      |
| H. INSURANCE COMMISSION                         | 7,000                          |                                                   |                       |                    | 7,000            |
| I. NATIONAL TAX RESEARCH CENTER                 | 29,423,000                     | 14,238,000                                        |                       | 3,375,000          | 47,036,000       |
| J. PRIVATIZATION AND MANAGEMENT OFFICE          | 42,554,000                     |                                                   |                       |                    | 42,554,000       |
| K. SECURITIES AND EXCHANGE COMMISSION           | 335,770,000                    | 205,828,000                                       |                       | 73,853,000         | 615,451,000      |
| TOTAL NEW APPROPRIATIONS, DEPARTMENT OF FINANCE | P 6,020,404,000                | P 5,881,981,000                                   | P 849,899,000         | P 6,114,641,000    | P 18,866,925,000 |