

J. GOVERNANCE COMMISSION FOR GOVERNMENT-OWNED AND CONTROLLED CORPORATIONS

STRATEGIC OBJECTIVES

MANDATE : The Governance Commission for GOCCs (GCG) is the central advisory, monitoring, and oversight body with authority to formulate, implement and coordinate policies for the GOCC Sector.

VISION : By 2020, the GCG shall have transformed the GOCC Sector into a significant tool of the State in the attainment of inclusive economic growth and development.

MISSION : GCG is an efficient and effective central advisory, oversight, and monitoring body with authority to formulate and implement policies in the active exercise of the State's ownership rights over GOCCs, thereby ensuring their financial viability and fiscal discipline through adherence to the highest standards of corporate governance.

KEY RESULT AREAS : Transparent, accountable, and participatory governance

SECTOR OUTCOME : Effective and transparent governance practiced

ORGANIZATIONAL OUTCOME : 1. Financial viability and fiscal discipline in GOCCs promoted and strengthened

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

No./ Code	GASS / STO / OPERATIONS / PROJECTS	2014 Actual	2015 Current	2016 Proposed
000001000000000	General Administration and Support	52,536,000	52,763,000	69,335,000
	PS	21,859,000	19,698,000	29,389,000
	MOOE	28,650,000	32,669,000	34,841,000
	CO	2,027,000	396,000	5,105,000
000003000000000	Operations	37,121,000	49,530,000	50,414,000
	PS	19,863,000	19,202,000	19,335,000
	MOOE	14,246,000	30,328,000	30,884,000
	CO	3,012,000		195,000
TOTAL AGENCY BUDGET		89,657,000	102,293,000	119,749,000
	PS	41,722,000	38,900,000	48,724,000
	MOOE	42,896,000	62,997,000	65,725,000
	CO	5,039,000	396,000	5,300,000

STAFFING SUMMARY

	2014	2015	2016
TOTAL STAFFING			
Total Number of Authorized Positions	96	96	96
Total Number of Filled Positions	54	58	58

OPERATIONS BY MFO	PROPOSED 2016			
	PS	MOOE	CO	TOTAL
MFO 1: CORPORATE STANDARDS SERVICES	5,343,000	9,938,000		15,281,000
MFO 2: CORPORATE GOVERNANCE SERVICES	12,375,000	20,946,000	195,000	33,516,000

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

REGION	PS	MOOE	CO	TOTAL
Regional Allocation (net of Central Office):	44,940,000	65,725,000	5,300,000	115,965,000
National Capital Region (NCR)	44,940,000	65,725,000	5,300,000	115,965,000
TOTAL AGENCY BUDGET	44,940,000	65,725,000	5,300,000	115,965,000

SECTION 3 : SPECIAL PROVISION(S)

- Submission of Annual Report. The GCG shall submit to the President of the Philippines, the House Committee on Appropriations and the Senate Committee on Finance, either in printed form or by way of electronic document, an annual report on the performance of the GOCCs under its coverage pursuant to Section 4 of R.A. No. 10149. Said annual report shall contain the following information on the GOCCs concerned: (i) FY 2016 performance targets and accomplishments; (ii) GCG performance assessment for FY 2016; (iii) summary of year-end financial statements; (iv) dividends remitted to the National Government; and (v) FYs 2015 and 2016 comparative report on the basic salaries, allowances, benefits, and incentives received by members of the boards of directors or trustees, officers and personnel of GOCCs.

The Chairperson of the GCG and the Agency's web administrator or his/her equivalent shall ensure that said annual report is likewise posted on the GCG website.

- 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 :

Fully implement the Integrated Corporate Reporting System (ICRS) with GOCCs; Streamline the coordination process with Clearing Agencies (Ombudsman, Civil Service Commission, Sandiganbayan, National Bureau of Investigation) in the preparation of shortlists of nominees for appointment to the various GOCC Governing Boards through the use of the latest Information and Communications Technology; Complete majority of the studies on the decoupling of functions of GOCCs exercising both regulatory and commercial functions and submit the corresponding recommendations to the President; Institutionalize a Multi-Sector Governance Coalition consisting of representatives from the Media, concerned Civil Society Organizations, the Academe, and other GCG stakeholders; Secure grants as additional funding for the specialized training and/or continuing education of GCG Personnel; and Include compliance with Asean Corporate Governance Scorecard as among the Good Governance Conditions for GOCCs for purposes of Performance-Based Bonuses

ORGANIZATIONAL OUTCOMES (OOs) / PERFORMANCE INDICATORS (PIs)	Baseline	2016 Targets
Financial viability and fiscal discipline in GOCCs promoted and strengthened		
No. of GOCCs rationalized		9 GOCCs
Percentage of GOCCs with dividend due and remitted the same to the NG		100%
MFO / PIs		2016 Targets
MFO 1: CORPORATE STANDARDS SERVICES		
GOCC Compensation and Position Classification Services		
GOCCs subject to CPCS with implemented CPCS Communication Plan		100%
GOCC Leadership Management Services		
Nominees submitted to the President compliant with the Fit and Proper Rule		90%

Performance Evaluation Services GOCCs subject to Performance Evaluation System with Approved Performance Agreement	100%
MFO 2: CORPORATE GOVERNANCE SERVICES Rationalize GOCC Sector Dispositive Action (Abolition, Privatization or Merger) Rationalization/Reorganization of GOCCs with complete documents as of end-October 2015	4 GOCCs 100%

Appropriations/Obligations

(In Thousand Pesos)

<u>Description</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
New General Appropriations	88,241	99,057	115,965
General Fund		99,057	115,965
R.A. No. 10633	88,241		
Automatic Appropriations	3,108	3,236	3,784
Retirement and Life Insurance Premiums	3,108	3,236	3,784
Continuing Appropriations	3,895	16,662	
Unobligated Releases for Capital Outlays			
R.A. No. 10352	3		
R.A. No. 10633		10	
Unobligated Releases for MOOE			
R.A. No. 10352	3,892		
R.A. No. 10633		16,652	
Budgetary Adjustment(s)	12,717		
Transfer(s) from:			
Miscellaneous Personnel Benefits Fund	12,207		
Pension and Gratuity Fund	510		
Total Available Appropriations	107,961	118,955	119,749
Unused Appropriations	(18,304)	(16,662)	
Unobligated Allotment	(18,304)	(16,662)	
TOTAL OBLIGATIONS	89,657	102,293	119,749
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Proposed New Appropriations Language
For general administration and support, and operations, as indicated hereunder.....P 115,965,000
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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	27,222,000	34,841,000	5,105,000	67,168,000
000001000100000 General Administration and Support Services	23,760,000	34,841,000	5,105,000	63,706,000
103001000100001 General Management and Supervision	P 23,760,000 P	34,841,000 P	5,105,000 P	63,706,000

103001000200000	Administration of Personnel Benefits	3,462,000			3,462,000
Sub-total, General Administration and Support		27,222,000	34,841,000	5,105,000	67,168,000
000003000000000	Operations	17,718,000	30,884,000	195,000	48,797,000
000003010000000	MFO 1: CORPORATE STANDARDS SERVICES	5,343,000	9,938,000		15,281,000
000003010100000	Corporate Standards and Leadership Management	5,343,000	9,938,000		15,281,000
101003010100001	GOCC Compensation and Position Classification Services	1,519,000	6,506,000		8,025,000
101003010100002	GOCC Leadership Management	3,824,000	3,432,000		7,256,000
000003020000000	MFO 2: CORPORATE GOVERNANCE SERVICES	12,375,000	20,946,000	195,000	33,516,000
000003020100000	Corporate Governance and Restructuring	12,375,000	20,946,000	195,000	33,516,000
101003020100001	Performance Monitoring Services	5,693,000	10,473,000		16,166,000
101003020100002	Corporate Restructuring Services	6,682,000	10,473,000	195,000	17,350,000
Sub-total, Operations		17,718,000	30,884,000	195,000	48,797,000
TOTAL NEW APPROPRIATIONS		P 44,940,000	P 65,725,000	P 5,300,000	P 115,965,000

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	27,708	26,967	31,529
Total Permanent Positions	27,708	26,967	31,529
Other Compensation Common to All			
Personnel Economic Relief Allowance	1,241	1,200	1,392
Representation Allowance	1,886	2,142	2,292
Transportation Allowance	1,476	2,142	2,292
Clothing and Uniform Allowance	225	250	290
Productivity Incentive Allowance		100	
Overtime Pay	35		
Year End Bonus	2,403	2,249	2,628
Cash Gift	268	250	290
Step Increment		65	123
Collective Negotiation Agreement	1,328		
Productivity Enhancement Incentive			290
Total Other Compensation Common to All	8,862	8,398	9,597
Other Compensation for Specific Groups			
Other Personnel Benefits	1,157		
Total Other Compensation for Specific Groups	1,157		

Other Benefits			
Retirement and Life Insurance Premiums	3,108	3,236	3,784
PAG-IBIG Contributions	63	56	70
PhilHealth Contributions	251	187	212
Employees Compensation Insurance Premiums	63	56	70
Terminal Leave	510		3,462
Total Other Benefits	<u>3,995</u>	<u>3,535</u>	<u>7,598</u>
TOTAL PERSONNEL SERVICES	<u>41,722</u>	<u>38,900</u>	<u>48,724</u>
Maintenance and Other Operating Expenses			
Travelling Expenses	1,248	7,500	4,806
Training and Scholarship Expenses	5,796	9,000	8,112
Supplies and Materials Expenses	3,809	7,087	5,193
Utility Expenses	1,284	6,000	3,000
Communication Expenses	3,332	4,512	3,553
Confidential, Intelligence and Extraordinary Expenses			
Extraordinary and Miscellaneous Expenses	1,166	1,166	1,165
Professional Services	4,033	11,652	18,282
General Services	6,856	2,245	2,200
Repairs and Maintenance	2,914	1,014	1,412
Taxes, Insurance Premiums and Other Fees	1,438	1,107	1,300
Other Maintenance and Operating Expenses			
Advertising Expenses	117	1,000	750
Printing and Publication Expenses	184	440	406
Representation Expenses	3,033	2,443	2,949
Rent/Lease Expenses	1,059	1,440	1,440
Membership Dues and Contributions to Organizations	3,847	4,613	4,613
Subscription Expenses	2,091	1,778	5,844
Other Maintenance and Operating Expenses	689		700
TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES	<u>42,896</u>	<u>62,997</u>	<u>65,725</u>
TOTAL CURRENT OPERATING EXPENDITURES	<u>84,618</u>	<u>101,897</u>	<u>114,449</u>
Capital Outlays			
Property, Plant and Equipment Outlay			
Machinery and Equipment Outlay	45	396	4,911
Transportation Equipment Outlay	4,990		
Furniture, Fixtures and Books Outlay	4		389
TOTAL CAPITAL OUTLAYS	<u>5,039</u>	<u>396</u>	<u>5,300</u>
GRAND TOTAL	<u>89,657</u>	<u>102,293</u>	<u>119,749</u>