

H. PHILIPPINE AIR FORCE (AIR FORCES)

Appropriations/Obligations

(In Thousand Pesos)

<u>Description</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
New General Appropriations	<u>16,363,367</u>	<u>18,962,952</u>	<u>19,693,330</u>
General Fund	16,363,367	18,962,952	19,693,330
Automatic Appropriations	<u>23,478</u>	<u>27,203</u>	<u>32,786</u>
Retirement and Life Insurance Premiums	23,478	27,203	32,786
Continuing Appropriations	<u>1,474,153</u>	<u>1,479,154</u>	
Unobligated Releases for Capital Outlays			
R.A. No. 10651	804,607		
R.A. No. 10717		999,131	
Unobligated Releases for MOOE			
R.A. No. 10651	669,546		
R.A. No. 10717		480,023	

Budgetary Adjustment(s)	<u>1,928,751</u>		
Transfer(s) from:			
Contingent Fund	7,807		
Miscellaneous Personnel Benefits Fund	877,900		
Pension and Gratuity Fund	<u>1,043,044</u>		
Total Available Appropriations	19,789,749	20,469,309	19,726,116
Unused Appropriations	(1,651,129)	(1,479,154)	
Unreleased Appropriation	(170,726)		
Unobligated Allotment	<u>(1,480,403)</u>	<u>(1,479,154)</u>	
TOTAL OBLIGATIONS	<u>18,138,620</u>	<u>18,990,155</u>	<u>19,726,116</u>

EXPENDITURE PROGRAM
(in pesos)

GAS / STO / OPERATIONS / PROJECTS	<u>2016 Actual</u>	<u>2017 Current</u>	<u>2018 Proposed</u>
General Administration and Support	<u>2,999,025,000</u>	<u>1,445,040,000</u>	<u>1,671,614,000</u>
Regular	<u>2,999,025,000</u>	<u>1,445,040,000</u>	<u>1,671,614,000</u>
PS	2,579,203,000	985,250,000	1,197,085,000
MOOE	379,141,000	459,790,000	473,539,000
CO	40,681,000		990,000
Support to Operations	<u>2,208,341,000</u>	<u>2,740,624,000</u>	
Regular	<u>2,208,341,000</u>	<u>2,740,624,000</u>	
PS	1,945,488,000	2,432,281,000	
MOOE	262,853,000	308,343,000	
Operations	<u>12,901,454,000</u>	<u>14,738,491,000</u>	<u>18,054,502,000</u>
Regular	<u>12,901,454,000</u>	<u>14,738,491,000</u>	<u>18,054,502,000</u>
PS	5,616,466,000	6,231,714,000	9,322,230,000
MOOE	6,163,157,000	7,939,299,000	8,412,912,000
CO	1,121,831,000	567,478,000	319,360,000
Projects / Purpose	<u>29,800,000</u>	<u>66,000,000</u>	
MOOE		2,465,000	
CO	29,800,000	63,535,000	
TOTAL AGENCY BUDGET	<u>18,138,620,000</u>	<u>18,990,155,000</u>	<u>19,726,116,000</u>
Regular	<u>18,108,820,000</u>	<u>18,924,155,000</u>	<u>19,726,116,000</u>
PS	10,141,157,000	9,649,245,000	10,519,315,000
MOOE	6,805,151,000	8,707,432,000	8,886,451,000
CO	1,162,512,000	567,478,000	320,350,000
Projects / Purpose	<u>29,800,000</u>	<u>66,000,000</u>	
MOOE		2,465,000	
CO	29,800,000	63,535,000	

STAFFING SUMMARY

	2016	2017	2018
TOTAL STAFFING			
Civilian Personnel			
Total Number of Authorized Positions	1,827	1,827	1,827
Total Number of Filled Positions	1,194	1,245	1,245
Military			
Total Number of Authorized Positions	17,612	17,612	17,612
Total Number of Filled Positions	16,905	16,857	16,857

Proposed New Appropriations Language
 For general administration and support, and operations, as indicated hereunder.....P 19,693,330,000
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OPERATIONS BY PROGRAM	PROPOSED 2018			
	PS	MOOE	CO	TOTAL
AIR FORCES DEFENSE PROGRAM	9,296,575,000	8,412,912,000	319,360,000	18,028,847,000

EXPENDITURE PROGRAM BY CENTRAL / REGIONAL ALLOCATION, 2018
(in pesos)

REGION	PS	MOOE	CO	TOTAL
Regional Allocation	10,486,529,000	8,886,451,000	320,350,000	19,693,330,000
National Capital Region (NCR)	10,486,529,000	8,886,451,000	320,350,000	19,693,330,000
TOTAL AGENCY BUDGET	10,486,529,000	8,886,451,000	320,350,000	19,693,330,000
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SPECIAL PROVISION(S)

- Hospital Income. In addition to the amounts appropriated herein, all income generated from the operations of Philippine Air Force General Hospital shall be deposited in an authorized government depository bank and used to augment the hospital's MOOE and Capital Outlay requirements, subject to the following conditions: (i) at least twenty-five percent (25%) of said income shall be utilized to purchase and upgrade hospital equipment used directly in the delivery of health services; and (ii) income sourced from PhilHealth reimbursements from availment of medical services shall be used exclusively by said hospitals for the improvement of its facilities, and the replenishment of drugs, medicines and vaccines, including medical and dental supplies used in government health care facilities.

In no case shall said amount be used for the payment of salaries, allowances and other benefits.

Disbursements or expenditures by the hospital in violation of the above requirements shall be void and shall subject the erring officials and employees to disciplinary actions in accordance with Section 43, Chapter 5 and Section 80, Chapter 7, Book VI of E.O. No. 292, s. 1987, and to appropriate criminal action under existing penal laws.

The Philippine Air Force shall prepare and submit to the DBM not later than November 15 of the preceding year, the annual operating budget for the current year covering said income and the corresponding expenditures. Likewise, it shall submit to the DBM not later than March 1 of the current year its audited financial statement for the immediately preceding year. The Commanding General of the Philippine Air Force and the Agency's web administrator or his/her equivalent shall be responsible for ensuring that the foregoing documents are likewise posted on the Philippine Air Force website.

2. Trust Receipts from the Use of Equipment and Facilities. Fees and charges from the use of equipment and facilities collected by the Philippine Air Force shall be used to augment its operating requirements in accordance with Section 1 of E.O. No. 1002, s. 1985. Said amount shall be deposited with the National Treasury and recorded as trust receipts in accordance with E.O. No. 338, s. 1996.

The Philippine Air Force shall submit to the DBM, the Speaker of the House of Representatives, the President of the Senate of the Philippines, 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 on the trust receipts transferred from authorized government depository bank to the National Treasury. The Commanding General of the Philippine Air Force and the Agency's web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are likewise posted on the Philippine Air Force website.

3. Combat Expenses. An amount not exceeding One Hundred Thousand Pesos (P100,000) per quarter for each Philippine Air Force squadron may be utilized by its tactical units for incidental and necessary expenses during operational exigencies. Such amount, chargeable against MOOE for combat expenses, shall be treated as cash advance subject to disbursement and liquidation in accordance with COA Circular Nos. 97-002 and 2004-006 dated February 10, 1997 and September 9, 2004, respectively.
4. Restriction on Armed Forces of the Philippines Expenditures. No amount appropriated herein shall be used to fund expenditures of military personnel in excess of those authorized and required based on the actual troop strength of the Philippine Air Force.
5. Rice Subsidy. The amount appropriated herein for rice subsidy shall be given in the form of financial assistance, equivalent to twenty (20) kilos of rice per month, and charged against its MOOE.
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:

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					
1000000000000000	General Administration and Support	1,189,954,000	473,539,000	990,000	1,664,483,000
100000100001000	General management and supervision	521,782,000	473,539,000	990,000	996,311,000
100000100002000	Administration of Personnel Benefits	668,172,000			668,172,000
Sub-total, General Administration and Support		<u>1,189,954,000</u>	<u>473,539,000</u>	<u>990,000</u>	<u>1,664,483,000</u>
3000000000000000	Operations	9,296,575,000	8,412,912,000	319,360,000	18,028,847,000
3100000000000000	00 : Level of mission capability of Air Force Units in air operations attained	9,296,575,000	8,412,912,000	319,360,000	18,028,847,000
3101000000000000	AIR FORCES DEFENSE PROGRAM	9,296,575,000	8,412,912,000	319,360,000	18,028,847,000
310100100001000	Force-Level Support Services	2,273,893,000	264,319,000	11,943,000	2,550,155,000
310100100002000	Force Development	3,487,685,000	3,866,934,000	203,401,000	7,558,020,000
310100100003000	Force Sustainment	3,534,997,000	4,281,659,000	104,016,000	7,920,672,000
Sub-total, Operations		<u>9,296,575,000</u>	<u>8,412,912,000</u>	<u>319,360,000</u>	<u>18,028,847,000</u>
TOTAL NEW APPROPRIATIONS		P 10,486,529,000	P 8,886,451,000	P 320,350,000	P 19,693,330,000
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Obligations, by Object of ExpendituresCYs 2016-2018
(In Thousand Pesos)

	2016	2017	2018
Current Operating Expenditures			
Personnel Services			
Civilian Personnel			
Permanent Positions			
Basic Salary	212,272	226,692	273,213
Total Permanent Positions	212,272	226,692	273,213
Other Compensation Common to All			
Personnel Economic Relief Allowance	26,334	25,512	29,880
Representation Allowance	175	120	180
Transportation Allowance	185	120	180
Clothing and Uniform Allowance	5,380	5,315	6,225
Mid-Year Bonus - Civilian	17,619	18,891	22,768
Year End Bonus	19,517	18,891	22,768
Cash Gift	5,772	5,315	6,225
Step Increment		2,132	683
Productivity Enhancement Incentive	4,764	5,315	6,225
Performance Based Bonus	10,057		
Total Other Compensation Common to All	89,803	81,611	95,134
Other Compensation for Specific Groups			
Magna Carta for Public Health Workers	21,710	26,312	27,896
Radiation Hazard Pay	4,329		5,239
Longevity Pay	3,649	3,305	3,598
Other Personnel Benefits	3,219		
Anniversary Bonus - Civilian		3,189	
Anniversary Bonus - Military/Uniformed Personnel		49,989	
Total Other Compensation for Specific Groups	32,907	82,795	36,733
Other Benefits			
Retirement and Life Insurance Premiums	23,478	27,203	32,786
PAG-IBIG Contributions	1,461	1,276	1,494
PhilHealth Contributions	3,003	2,524	3,123
Employees Compensation Insurance Premiums	1,524	1,276	1,494
Retirement Gratuity	19,742	15,728	25,174
Loyalty Award - Civilian			1,130
Terminal Leave	16,731	6,929	11,582
Total Other Benefits	65,939	54,936	76,783
Military/Uniformed Personnel			
Basic Pay			
Base Pay	3,992,473	3,981,896	4,031,550
Total Basic Pay	3,992,473	3,981,896	4,031,550
Other Compensation Common to All			
Personnel Economic Relief Allowance	405,362	399,912	404,568
Clothing/ Uniform Allowance	200,881	229,431	214,207
Subsistence Allowance	932,013	912,300	922,922
Laundry Allowance	6,676	6,778	6,887
Quarters Allowance	90,895	92,415	93,523
Longevity Pay	835,403	824,466	809,228
Mid-Year Bonus - Military/Uniformed Personnel	332,330	331,825	335,963
Officers' Allowance - Military/Uniformed Personnel	21,834	70,542	106,560
Provisional Allowance - Military/Uniformed Personnel	267,667	569,498	914,244
Year-end Bonus	330,606	331,825	335,963

Cash Gift	82,576	83,315	84,285
Productivity Enhancement Incentive	82,114	83,315	84,285
Performance Based Bonus	123,848		
Total Other Compensation Common to All	3,712,205	3,935,622	4,312,635
Other Compensation for Specific Groups			
Hazardous Duty Pay	108,398	100,879	100,879
Hazard Duty Pay	83,890	107,977	139,578
Flying Pay	419,618	405,757	413,398
Hardship Allowance	12,797	9,868	9,868
Combat Duty Pay	83,477	33,744	212,472
Instructor's Duty Pay	34,223	33,675	33,675
Reservist's Pay	28,789	28,584	55,231
Medal of Valor Award	600	1,200	1,800
Hospitalization Expenses	11,472		
Specialist's Pay	2,998	153	2,603
Parachutist Pay	3,408	3,726	3,726
Lump-sum for Filling of Positions - Military/Uniformed Personnel (MUP)		326,165	502,130
Total Other Compensation for Specific Groups	789,670	1,051,728	1,475,360
Other Benefits			
Special Group Term Insurance	1,465	1,199	1,214
PAG-IBIG Contributions	19,763	19,996	20,229
PhilHealth Contributions	45,343	44,932	46,949
Employees Compensation Insurance Premiums	20,379	19,996	20,229
Terminal Leave	1,158,938	147,842	129,286
Total Other Benefits	1,245,888	233,965	217,907
TOTAL PERSONNEL SERVICES	10,141,157	9,649,245	10,519,315
Maintenance and Other Operating Expenses			
Travelling Expenses	248,928	257,003	264,713
Training and Scholarship Expenses	78,624	85,859	88,435
Supplies and Materials Expenses	2,281,068	2,851,638	2,907,918
Utility Expenses	346,679	354,681	368,323
Communication Expenses	40,520	41,413	42,654
Awards/Rewards and Prizes	430	1,550	1,550
Confidential, Intelligence and Extraordinary Expenses			
Intelligence Expenses	17,000	17,000	17,000
Professional Services	16,834	5,662	7,832
General Services	4,257	13,741	13,741
Repairs and Maintenance	3,560,413	4,724,474	4,809,235
Financial Assistance/Subsidy		129,972	131,859
Taxes, Insurance Premiums and Other Fees	14,615	19,166	19,166
Other Maintenance and Operating Expenses			
Advertising Expenses	1,081	1,645	1,694
Printing and Publication Expenses	4,140	5,899	6,076
Representation Expenses	177,894	183,197	188,612
Transportation and Delivery Expenses	4,880	9,858	10,154
Rent/Lease Expenses	3,319	2,171	2,171
Membership Dues and Contributions to Organizations	79	45	45
Subscription Expenses	1,716	3,420	3,770
Donations		1,500	1,500
Other Maintenance and Operating Expenses	2,674	3	3
TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES	6,805,151	8,709,897	8,886,451
TOTAL CURRENT OPERATING EXPENDITURES	16,946,308	18,359,142	19,405,766
Capital Outlays			
Property, Plant and Equipment Outlay			
Land Outlay		80,100	
Infrastructure Outlay	169,830	152,250	
Buildings and Other Structures	967,856	329,097	35,000

Machinery and Equipment Outlay	54,626	29,952	88,974
Transportation Equipment Outlay		38,823	196,376
Other Property Plant and Equipment Outlay		791	
TOTAL CAPITAL OUTLAYS	<u>1,192,312</u>	<u>631,013</u>	<u>320,350</u>
GRAND TOTAL	<u>18,138,620</u>	<u>18,990,155</u>	<u>19,726,116</u>

STRATEGIC OBJECTIVES

SECTOR OUTCOME : Security, public order, and safety ensured

ORGANIZATIONAL

OUTCOME : Level of mission capability of Air Force Units in air operations attained

PERFORMANCE INFORMATION

ORGANIZATIONAL OUTCOMES (Oos) / PERFORMANCE INDICATORS (PIs)	2016 Actual	2017 Targets
Level of mission capability of Air Force Units in air operations attained		
Percentage of Air Force Units Provided to Unified Commands	70%	85%

MFO / Performance Indicators	2016 Targets	2016 Actual	2017 GAA Targets
MFO 1: TERRITORIAL DEFENSE, SECURITY AND STABILITY SERVICES			
Number of Supportable Aircraft Maintained	140	150	154
Aircraft Maintenance Readiness Rate	70%	61%	70%
% Accomplishment of 1-hour Response to Flight-directed Mission	85%	99.7%	90%

ORGANIZATIONAL OUTCOMES (Oos) / PERFORMANCE INDICATORS (PIs)	Baseline	2018 Targets
Level of mission capability of Air Force Units in air operations attained		
AIR FORCES DEFENSE PROGRAM		
Outcome Indicator		
1. Percentage of Tactical Air Operations Group that supported the Unified Commands		100%
Output Indicators		
1. Number of supportable aircraft maintained	154	154
2. Percentage of accomplishment of one-hour response to flight-directed mission	90%	90%
3. Percentage of flying hours flown		100%