

B. GOVERNMENT ARSENAL

Appropriations/Obligations

(In Thousand Pesos)

<u>Description</u>	( Obligation-Based )	( Cash-Based )	
	<u>2018</u>	<u>2019</u>	<u>2020</u>
New General Appropriations	<u>1,216,188</u>	<u>1,258,628</u>	<u>1,287,801</u>
General Fund	1,216,188	1,258,628	1,287,801
Automatic Appropriations	<u>220,901</u>	<u>16,256</u>	<u>15,972</u>
Customs Duties and Taxes, including Tax Expenditures	205,090		
Retirement and Life Insurance Premiums	15,811	16,256	15,972
Continuing Appropriations		<u>80,190</u>	
Unobligated Releases for MOOE R.A. No. 10964		80,190	
Budgetary Adjustment(s)	<u>14,239</u>		
Transfer(s) from:			
Miscellaneous Personnel Benefits Fund	5,828		
Pension and Gratuity Fund	8,411		
Total Available Appropriations	<u>1,451,328</u>	<u>1,355,074</u>	<u>1,303,773</u>
Unused Appropriations	<u>( 82,865 )</u>	<u>( 80,190 )</u>	
Unobligated Allotment	<u>( 82,865 )</u>	<u>( 80,190 )</u>	
TOTAL OBLIGATIONS	<u>1,368,463</u>	<u>1,274,884</u>	<u>1,303,773</u>

EXPENDITURE PROGRAM  
(in pesos)

GAS / STO / OPERATIONS / PROJECTS	( Obligation-Based )	( Cash-Based )	
	2018 Actual	2019 Current	2020 Proposed
General Administration and Support	125,303,000	117,219,000	114,293,000
Regular	125,303,000	117,219,000	114,293,000
PS	93,367,000	75,385,000	71,985,000
MOOE	31,936,000	41,834,000	42,308,000
Operations	1,243,160,000	1,157,665,000	1,189,480,000
Regular	1,243,160,000	1,157,665,000	1,189,480,000
PS	191,075,000	194,238,000	191,855,000
MOOE	1,052,085,000	945,427,000	913,625,000
CO		18,000,000	84,000,000
TOTAL AGENCY BUDGET	1,368,463,000	1,274,884,000	1,303,773,000
Regular	1,368,463,000	1,274,884,000	1,303,773,000
PS	284,442,000	269,623,000	263,840,000
MOOE	1,084,021,000	987,261,000	955,933,000
CO		18,000,000	84,000,000

STAFFING SUMMARY

	2018	2019	2020
TOTAL STAFFING			
Total Number of Authorized Positions	687	687	687
Total Number of Filled Positions	607	592	592

Proposed New Appropriations Language  
For general administration and support, and operations, as indicated hereunder.....P 1,287,801,000  
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PROPOSED 2020 ( Cash-Based )

OPERATIONS BY PROGRAM	PROPOSED 2020 ( Cash-Based )			
	PS	MOOE	CO	TOTAL
SMALL ARMS AMMUNITION, WEAPONS, AND MUNITIONS PROGRAM	179,731,000	913,625,000	84,000,000	1,177,356,000

**EXPENDITURE PROGRAM BY CENTRAL / REGIONAL ALLOCATION, 2020 ( Cash-Based )**  
(in pesos)

REGION	PS	MOOE	CO	TOTAL
Regional Allocation	247,868,000	955,933,000	84,000,000	1,287,801,000
Region III - Central Luzon	247,868,000	955,933,000	84,000,000	1,287,801,000
TOTAL AGENCY BUDGET	247,868,000	955,933,000	84,000,000	1,287,801,000

**SPECIAL PROVISION(S)**

1. Hospital Income. In addition to the amounts appropriated herein, all income generated from the operations of the Government Arsenal (GA) infirmary shall be deposited in an authorized government depository bank and used to augment the infirmary'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 GA 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 Director of GA and the Agency's web administrator or his/her equivalent shall be responsible for ensuring that the foregoing documents are likewise posted on the GA website.

2. Authority to Barter and Sell Scrap Items. The Director of GA, upon approval of the Secretary of National Defense, may barter or sell scrap items in accordance with E.O. No. 888, s. 1983, as amended. The barter and sale of scrap items shall be subject to the COA rules on the disposal of government properties and sale through public auction. The items acquired from barter shall be recorded or booked-up as government property while proceeds from the sale shall accrue to the Revised AFP Modernization Act Trust Fund pursuant to Section 6 of R.A. No. 10349.
3. Reporting and Posting Requirements. The GA shall submit quarterly reports on its financial and physical accomplishments, within thirty (30) days after the end of every quarter, through the following:

- (a) Unified Reporting System (URS) or other electronic means for reports not covered by the URS; and
- (b) GA's website.

The GA shall send written notice when said reports have been submitted or posted on its website to the DBM, House of Representatives, Senate of the Philippines, House Committee on Appropriations, Senate Committee on Finance, and other offices where the submission of reports is required under existing laws, rules and regulations. The date of notice to said agencies shall be considered the date of compliance with this requirement.

4. Appropriations for Activities or Projects. The amounts appropriated herein shall be used specifically for the following activities or projects in the indicated amounts and conditions:

**New Appropriations, by Programs/Activities/Projects ( Cash-Based )**

		<u>Current Operating Expenditures</u>			
		Personnel Services	Maintenance and Other Operating Expenses	Capital Outlays	Total
<b>PROGRAMS</b>					
1000000000000000	General Administration and Support	68,137,000	42,308,000		110,445,000
100000100001000	General management and supervision	59,249,000	42,308,000		101,557,000

100000100002000	Administration of Personnel Benefits	8,888,000		8,888,000
Sub-total, General Administration and Support		<u>68,137,000</u>	<u>42,308,000</u>	<u>110,445,000</u>
3000000000000000	Operations	<u>179,731,000</u>	<u>913,625,000</u>	<u>84,000,000</u>
3100000000000000	00 : Supply of Small Arms, Ammunition, Weapons, and Munitions Increased to the Level of Demand	<u>179,731,000</u>	<u>913,625,000</u>	<u>84,000,000</u>
3101000000000000	SMALL ARMS AMMUNITION, WEAPONS, AND MUNITIONS PROGRAM	<u>179,731,000</u>	<u>913,625,000</u>	<u>84,000,000</u>
310100100001000	Planning and development of arms manufacturing processes and procedures	10,411,000	4,973,000	15,384,000
310100100002000	Manufacture, storage and security of small arms ammunition	<u>169,320,000</u>	<u>908,652,000</u>	<u>84,000,000</u>
Sub-total, Operations		<u>179,731,000</u>	<u>913,625,000</u>	<u>84,000,000</u>
TOTAL NEW APPROPRIATIONS		P 247,868,000	P 955,933,000	P 84,000,000
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Obligations, by Object of Expenditures

CYs 2018-2020  
(In Thousand Pesos)

	( Obligation-Based )		( Cash-Based )	
	2018	2019	2020	
Current Operating Expenditures				
Personnel Services				
Civilian Personnel				
Permanent Positions				
Basic Salary	128,523	135,465	133,098	
Total Permanent Positions	<u>128,523</u>	<u>135,465</u>	<u>133,098</u>	
Other Compensation Common to All				
Personnel Economic Relief Allowance	14,472	14,544	14,208	
Representation Allowance	335	330	390	
Transportation Allowance	227	330	390	
Clothing and Uniform Allowance	3,558	3,636	3,552	
Mid-Year Bonus - Civilian	10,707	11,289	11,092	
Year End Bonus	10,700	11,289	11,092	
Cash Gift	3,007	3,030	2,960	
Productivity Enhancement Incentive	2,969	3,030	2,960	
Performance Based Bonus	5,828			
Step Increment		339	333	
Collective Negotiation Agreement	14,675			
Total Other Compensation Common to All	<u>66,478</u>	<u>47,817</u>	<u>46,977</u>	
Other Compensation for Specific Groups				
Magna Carta for Public Health Workers	118	300	300	
Magna Carta for Science & Technology Personnel	41,808	48,390	47,936	
Quarters Allowance	964	1,347	1,347	
Night Shift Differential Pay	4,086	4,804	5,254	
Total Other Compensation for Specific Groups	<u>46,976</u>	<u>54,841</u>	<u>54,837</u>	

Other Benefits			
Retirement and Life Insurance Premiums	15,439	16,256	15,972
PAG-IBIG Contributions	724	727	710
PhilHealth Contributions	1,695	1,764	1,728
Employees Compensation Insurance Premiums	727	727	710
Retirement Gratuity	1,838		
Loyalty Award - Civilian	440	645	920
Terminal Leave	21,602	11,381	8,888
Total Other Benefits	<u>42,465</u>	<u>31,500</u>	<u>28,928</u>
TOTAL PERSONNEL SERVICES	<u>284,442</u>	<u>269,623</u>	<u>263,840</u>
Maintenance and Other Operating Expenses			
Travelling Expenses	5,429	6,993	8,332
Training and Scholarship Expenses	3,907	4,863	4,863
Supplies and Materials Expenses	719,271	880,492	837,396
Utility Expenses	26,555	39,338	39,718
Communication Expenses	2,463	1,842	1,897
Confidential, Intelligence and Extraordinary Expenses			
Extraordinary and Miscellaneous Expenses	85	130	130
Professional Services	5,223	4,752	4,752
General Services	67,991	12,497	32,638
Repairs and Maintenance	19,442	31,981	22,941
Taxes, Insurance Premiums and Other Fees	206,600	2,087	1,587
Other Maintenance and Operating Expenses			
Advertising Expenses	181	328	238
Printing and Publication Expenses	30	70	42
Representation Expenses	509	666	686
Transportation and Delivery Expenses	1	1,036	567
Subscription Expenses	141	186	146
Other Maintenance and Operating Expenses	26,193		
TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES	<u>1,084,021</u>	<u>987,261</u>	<u>955,933</u>
TOTAL CURRENT OPERATING EXPENDITURES	<u>1,368,463</u>	<u>1,256,884</u>	<u>1,219,773</u>
Capital Outlays			
Property, Plant and Equipment Outlay			
Buildings and Other Structures		6,000	10,000
Machinery and Equipment Outlay		12,000	74,000
TOTAL CAPITAL OUTLAYS		<u>18,000</u>	<u>84,000</u>
GRAND TOTAL	<u>1,368,463</u>	<u>1,274,884</u>	<u>1,303,773</u>

## STRATEGIC OBJECTIVES

SECTOR OUTCOME : Security, public order, and safety ensured

ORGANIZATIONAL  
OUTCOME : Supply of Small Arms, Ammunition, Weapons, and Munitions Increased to the Level of Demand

## PERFORMANCE INFORMATION

<u>ORGANIZATIONAL OUTCOMES (00s) / PERFORMANCE INDICATORS (PIs)</u>	<u>2018 GAA Targets</u>	<u>Actual</u>
Supply of Small Arms, Ammunition, Weapons, and Munitions Increased to the Level of Demand		
SMALL ARMS AMMUNITION, WEAPONS, AND MUNITIONS PROGRAM		
Outcome Indicator		
1. Percentage of supportability to AFP Small Arms Ammunition (SAA) requirements for two (2) basic loads (combat requirements)	116.25%	121.77%
Output Indicators		
1. Number of small arms ammunitions (SAA) manufactured	40.00 Million Rounds	41.90 Million Rounds
2. Percentage acceptance based on standards	98%	98%

## PERFORMANCE INFORMATION

<u>ORGANIZATIONAL OUTCOMES (00s) / PERFORMANCE INDICATORS (PIs)</u>	<u>Baseline</u>	<u>2019 Targets</u>	<u>2020 NEP Targets</u>
Supply of Small Arms, Ammunition, Weapons, and Munitions Increased to the Level of Demand			
SMALL ARMS AMMUNITION, WEAPONS, AND MUNITIONS PROGRAM			
Outcome Indicator			
1. Percentage of supportability to AFP Small Arms Ammunition (SAA) requirements for two (2) basic loads (combat requirements)	116.25%	116.25%	116.25%
Output Indicators			
1. Number of small arms ammunitions (SAA) manufactured	40.0 Million Rounds	40.0 Million Rounds	40.0 Million Rounds
2. Percentage acceptance based on standards	98%	98%	98%