

H. PHILIPPINE AIR FORCE (AIR FORCES)

Appropriations/Obligations

(In Thousand Pesos)

<u>Description</u>	<u>(Obligation-Based)</u>	<u>(Cash-Based)</u>	
	2018	2019	2020
New General Appropriations	19,720,330	24,584,360	25,936,267
General Fund	19,720,330	24,584,360	25,936,267
Automatic Appropriations	167,576	35,082	35,716
Customs Duties and Taxes, including Tax Expenditures	134,790		
Retirement and Life Insurance Premiums	32,786	35,082	35,716
Continuing Appropriations		15,633	
Unobligated Releases for Capital Outlays R.A. No. 10964		14,986	
Unobligated Releases for MOOE R.A. No. 10964		647	
Budgetary Adjustment(s)	5,957,626		
Transfer(s) from:			
Contingent Fund	866,322		
Miscellaneous Personnel Benefits Fund	3,812,961		
Pension and Gratuity Fund	1,278,343		
Total Available Appropriations	25,845,532	24,635,075	25,971,983
Unused Appropriations	(35,851)	(15,633)	
Unreleased Appropriation	(20,218)		
Unobligated Allotment	(15,633)	(15,633)	
TOTAL OBLIGATIONS	25,809,681	24,619,442	25,971,983

EXPENDITURE PROGRAM
(in pesos)

GAS / STO / OPERATIONS / PROJECTS	(Obligation-Based)	(Cash-Based)	
	2018 Actual	2019 Current	2020 Proposed
General Administration and Support	7,737,771,000	2,092,864,000	1,805,105,000
Regular	7,737,771,000	2,092,864,000	1,805,105,000
PS	6,267,222,000	1,566,405,000	1,260,109,000
MOOE	1,374,004,000	526,459,000	536,746,000
CO	96,545,000		8,250,000
Operations	18,071,910,000	22,526,578,000	24,166,878,000
Regular	18,061,969,000	22,526,578,000	24,166,878,000
PS	9,323,180,000	13,212,613,000	13,843,208,000
MOOE	8,428,552,000	8,961,669,000	9,861,110,000
CO	310,237,000	352,296,000	462,560,000
Projects / Purpose	9,941,000		
CO	9,941,000		
TOTAL AGENCY BUDGET	25,809,681,000	24,619,442,000	25,971,983,000
Regular	25,799,740,000	24,619,442,000	25,971,983,000
PS	15,590,402,000	14,779,018,000	15,103,317,000
MOOE	9,802,556,000	9,488,128,000	10,397,856,000
CO	406,782,000	352,296,000	470,810,000
Projects / Purpose	9,941,000		
CO	9,941,000		

STAFFING SUMMARY

	2018	2019	2020
TOTAL STAFFING			
Civilian Personnel			
Total Number of Authorized Positions	1,827	1,827	1,827
Total Number of Filled Positions	1,278	1,284	1,284
Military			
Total Number of Authorized Positions	19,072	19,072	19,072
Total Number of Filled Positions	17,612	18,648	18,648

Proposed New Appropriations Language
For general administration and support, and operations, as indicated hereunder.....P 25,936,267,000
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OPERATIONS BY PROGRAM	PROPOSED 2020 (Cash-Based)			
	PS	MOOE	CO	TOTAL
AIR FORCES DEFENSE PROGRAM	13,813,837,000	9,861,110,000	462,560,000	24,137,507,000

EXPENDITURE PROGRAM BY CENTRAL / REGIONAL ALLOCATION, 2020 (Cash-Based) (in pesos)				
REGION	PS	MOOE	CO	TOTAL
Regional Allocation	15,067,601,000	10,397,856,000	470,810,000	25,936,267,000
National Capital Region (NCR)	15,067,601,000	10,397,856,000	470,810,000	25,936,267,000
TOTAL AGENCY BUDGET	15,067,601,000	10,397,856,000	470,810,000	25,936,267,000

SPECIAL PROVISION(S)

1. 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.
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 of One Hundred Forty Eight Million Seven Hundred Fifty Four Thousand Pesos (P148,754,000) appropriated herein shall be used for the provision of rice subsidy, equivalent to twenty (20) kilos of rice a month, in the form of financial assistance to the military personnel of the Philippine Air Force.
6. Restriction on Use of Funds Allotted for Petroleum, Oil and Lubricants. The amounts appropriated herein for the purchase or acquisition of petroleum, oil and lubricants for the Philippine Air Force shall be used exclusively for said purposes.

7. Reimbursement of Expenses Incurred in Anti-smuggling and Economic Subversion Operations. Expenses incurred by the Philippine Air Force in anti-smuggling, economic subversion or similar operations may be reimbursed out of the proceeds from the sale of items seized or confiscated by the Philippine Air Force upon recommendation of the Secretary of National Defense and approval by the President of the Philippines, subject to the submission of a Special Budget pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292 and budgeting, accounting and auditing rules and regulations.
8. Reporting and Posting Requirements. The Philippine Air Force 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) Philippine Air Force's website.

The Philippine Air Force 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.
9. 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>			
		<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
PROGRAMS					
10000000000000	General Administration and Support	1,253,764,000	536,746,000	8,250,000	1,798,760,000
100000100001000	General management and supervision	825,952,000	536,746,000	8,250,000	1,370,948,000
100000100002000	Administration of Personnel Benefits	427,812,000			427,812,000
Sub-total, General Administration and Support		<u>1,253,764,000</u>	<u>536,746,000</u>	<u>8,250,000</u>	<u>1,798,760,000</u>
300000000000000	Operations	13,813,837,000	9,861,110,000	462,560,000	24,137,507,000
310000000000000	00 : Level of mission capability of Air Force Units in air operations attained	13,813,837,000	9,861,110,000	462,560,000	24,137,507,000
310100000000000	AIR FORCES DEFENSE PROGRAM	13,813,837,000	9,861,110,000	462,560,000	24,137,507,000
310100100001000	Force-Level Support Services	2,576,308,000	283,656,000	1,500,000	2,861,464,000
310100100002000	Force Development	6,214,521,000	4,818,014,000	201,869,000	11,234,404,000
310100100003000	Force Sustainment	5,023,008,000	4,759,440,000	259,191,000	10,041,639,000
Sub-total, Operations		<u>13,813,837,000</u>	<u>9,861,110,000</u>	<u>462,560,000</u>	<u>24,137,507,000</u>
TOTAL NEW APPROPRIATIONS		P 15,067,601,000	P 10,397,856,000	P 470,810,000	P 25,936,267,000
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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	286,623	292,354	297,632	
Total Permanent Positions	<u>286,623</u>	<u>292,354</u>	<u>297,632</u>	
Other Compensation Common to All				
Personnel Economic Relief Allowance	29,493	30,048	30,816	
Representation Allowance	180	180	240	
Transportation Allowance	180	180	240	
Clothing and Uniform Allowance	7,588	7,512	7,704	
Mid-Year Bonus - Civilian	22,527	24,363	24,803	
Year End Bonus	22,768	24,363	24,803	
Cash Gift	6,225	6,260	6,420	
Productivity Enhancement Incentive	5,969	6,260	6,420	
Performance Based Bonus	12,176			
Step Increment		731	744	
Total Other Compensation Common to All	<u>107,106</u>	<u>99,897</u>	<u>102,190</u>	
Other Compensation for Specific Groups				
Magna Carta for Public Health Workers	27,896	30,066	30,066	
Radiation Hazard Pay	5,239			
Longevity Pay	3,598	3,908	3,908	
Other Personnel Benefits	517			
Total Other Compensation for Specific Groups	<u>37,250</u>	<u>33,974</u>	<u>33,974</u>	
Other Benefits				
Retirement and Life Insurance Premiums	33,450	35,082	35,716	
PAG-IBIG Contributions	1,494	1,503	1,540	
PhilHealth Contributions	3,323	3,853	3,922	
Employees Compensation Insurance Premiums	1,446	1,503	1,540	
Retirement Gratuity	24,867	25,176		
Loyalty Award - Civilian	961	1,065	1,065	
Terminal Leave	18,674	10,079	5,540	
Total Other Benefits	<u>84,215</u>	<u>78,261</u>	<u>49,323</u>	
Military/Uniformed Personnel				
Basic Pay				
Base Pay	7,827,649	7,211,484	7,706,475	
Total Basic Pay	<u>7,827,649</u>	<u>7,211,484</u>	<u>7,706,475</u>	
Other Compensation Common to All				
Personnel Economic Relief Allowance	406,568	422,688	447,552	
Clothing/ Uniform Allowance	268,655	236,610	244,879	
Subsistence Allowance	922,922	964,258	1,020,978	
Laundry Allowance	6,887	7,155	7,573	
Quarters Allowance	93,523	94,445	102,916	
Longevity Pay	1,484,647	1,469,365	1,505,889	
Mid-Year Bonus - Military/Uniformed Personnel	592,201	600,957	642,207	
Year-end Bonus	636,264	600,957	642,207	
Cash Gift	85,285	88,060	93,240	

Productivity Enhancement Incentive	85,285	88,060	93,240
Performance Based Bonus	167,285		
Total Other Compensation Common to All	<u>4,749,522</u>	<u>4,572,555</u>	<u>4,800,681</u>
Other Compensation for Specific Groups			
Hazardous Duty Pay	121,743	210,925	224,212
Flying Pay	466,345	695,789	724,738
Hazard Duty Pay	118,408	114,124	120,840
Hardship Allowance	13,807	17,332	23,113
Combat Duty Pay	201,717	287,820	311,364
Instructor's Duty Pay	40,962	60,259	69,854
Reservist's Pay	24,200	60,163	60,163
Medal of Valor Award	1,800	1,800	1,800
Hospitalization Expenses	9,375		
Specialist's Pay	2,603	2,603	2,603
Parachutist Pay	4,492	6,329	6,651
Lump-sum for Filling of Positions - Military/Uniformed Personnel (MUP)		591,577	165,460
Total Other Compensation for Specific Groups	<u>1,005,452</u>	<u>2,048,721</u>	<u>1,710,798</u>
Other Benefits			
Special Group Term Insurance	1,214	1,268	1,268
PAG-IBIG Contributions	20,229	21,134	22,378
PhilHealth Contributions	70,287	92,867	99,408
Employees Compensation Insurance Premiums	20,229	21,134	22,378
Retirement Gratuity	2,570		
Terminal Leave	1,378,056	305,369	256,812
Total Other Benefits	<u>1,492,585</u>	<u>441,772</u>	<u>402,244</u>
TOTAL PERSONNEL SERVICES	<u>15,590,402</u>	<u>14,779,018</u>	<u>15,103,317</u>
Maintenance and Other Operating Expenses			
Travelling Expenses	264,713	275,497	283,761
Training and Scholarship Expenses	88,435	87,591	90,194
Supplies and Materials Expenses	3,217,299	3,118,222	3,205,416
Utility Expenses	378,180	379,573	395,524
Communication Expenses	42,654	50,803	52,328
Awards/Rewards and Prizes	1,550	1,550	1,550
Confidential, Intelligence and Extraordinary Expenses			
Intelligence Expenses	32,000	17,000	17,000
Professional Services	7,832	11,157	11,145
General Services	14,426	4,785	4,785
Repairs and Maintenance	5,194,219	4,977,276	5,754,583
Financial Assistance/Subsidy	134,854	148,762	148,754
Taxes, Insurance Premiums and Other Fees	153,956	22,382	22,363
Other Maintenance and Operating Expenses			
Advertising Expenses	1,694	2,140	2,204
Printing and Publication Expenses	6,076	2,823	2,907
Representation Expenses	188,612	290,179	296,589
Transportation and Delivery Expenses	68,525	9,221	9,497
Rent/Lease Expenses	2,171	4,231	4,231
Membership Dues and Contributions to Organizations	87	87	87
Subscription Expenses	3,770	83,249	93,338
Donations	1,500	1,600	1,600
Other Maintenance and Operating Expenses	3		
TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES	<u>9,802,556</u>	<u>9,488,128</u>	<u>10,397,856</u>
TOTAL CURRENT OPERATING EXPENDITURES	<u>25,392,958</u>	<u>24,267,146</u>	<u>25,501,173</u>
Capital Outlays			
Property, Plant and Equipment Outlay Buildings and Other Structures	137,482		157,987

Machinery and Equipment Outlay	87,789	143,907	14,929
Transportation Equipment Outlay	191,452	208,389	297,894
TOTAL CAPITAL OUTLAYS	<u>416,723</u>	<u>352,296</u>	<u>470,810</u>
GRAND TOTAL	<u>25,809,681</u>	<u>24,619,442</u>	<u>25,971,983</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

<u>ORGANIZATIONAL OUTCOMES (OOs) / PERFORMANCE INDICATORS (PIs)</u>	<u>2018 GAA Targets</u>	<u>Actual</u>
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%	100%
Output Indicators		
1. Number of supportable aircraft maintained	154	154
2. Percentage of accomplishment of one-hour response to flight-directed mission	90%	98%
3. Percentage of flying hours flown	100%	98%

PERFORMANCE INFORMATION

<u>ORGANIZATIONAL OUTCOMES (OOs) / PERFORMANCE INDICATORS (PIs)</u>	<u>Baseline</u>	<u>2019 Targets</u>	<u>2020 NEP Targets</u>
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%	100%	100%
Output Indicators			
1. Number of supportable aircraft maintained	154	154	154
2. Percentage of accomplishment of one-hour response to flight-directed mission	90%	90%	90%
3. Percentage of flying hours flown	100%	100%	100%