



REPUBLIC OF THE PHILIPPINES  
**Department of Budget and Management**  
 Malacañang, Manila

**CORPORATE OPERATING BUDGET**  
 Calendar Year 2012

**TO: EMPLOYEES' COMPENSATION COMMISSION and OCCUPATIONAL SAFETY AND HEALTH CENTER (ECC-OSHC)**

Your Corporate Operating Budget (COB) for Calendar Year 2012 per Board Resolution Nos. 12-03-07 and 2012-04-03, dated March 9, 2012 and April 2, 2012, respectively, submitted pursuant to Section 6 of Executive Order (E.O.) No. 518, series of 1979 and Section 19, Chapter 3, Book VI of E.O. No. 292, series of 1987, is hereby approved for a total of **TWO HUNDRED FIVE MILLION SIX HUNDRED NINETY NINE THOUSAND PESOS ONLY (P205,699,000)**, details of which are shown below:

PARTICULARS	PROPOSAL (a)	APPROVED (b)	VARIANCE (c=b-a)	REMARKS
<b>TOTAL SOURCES:</b>	<b>P 258,321,000</b>	<b>P 258,321,000</b>	<b>P -</b>	
Corporate Funds	258,321,000	258,321,000	a/ -	
Employees' Compensation Commission (ECC)	126,199,000	126,199,000	-	
State Insurance Fund (SIF)	83,063,000	83,063,000	-	
Income/Retained Earnings	43,136,000	43,136,000	-	
Occupational Safety and Health Center (OSHC)	132,122,000	132,122,000	-	
SIF	107,636,000	107,636,000	-	
Income/Retained Earnings	24,486,000	24,486,000	-	
<b>TOTAL USES:</b>	<b>P 229,780,000</b>	<b>P 205,699,000</b>	<b>P (24,081,000)</b>	
Personal Services (PS)	112,172,000	97,303,000	(14,869,000) b/	
ECC	51,872,000	46,490,000	(5,382,000)	
OSHC	60,300,000	50,813,000	(9,487,000)	
Maintenance & Other Operating Exp. (MOOE)	91,948,000	82,736,000	(9,212,000) c/	
ECC	40,412,000	34,464,000	(5,948,000)	
OSHC	51,536,000	48,272,000	(3,264,000)	
Capital Outlays (CO)	25,660,000	25,660,000	d/ -	
ECC	5,910,000	5,910,000	-	
OSHC	19,750,000	19,750,000	-	
<b>Excess / (Shortfall)</b>	<b>P 28,541,000</b>	<b>P 52,622,000</b>	<b>P 24,081,000</b>	

**Footnotes:**

a/ To be sourced from the 12% loading fund of SIF from SSS and GSIS and internally generated funds.

b/ The variance of P14,869,000 refers to the following:

	ECC	OSHC	TOTAL	REMARKS
Non-Permanent Personnel (salaries & benefits)	P 2,139,000	P	P 2,139,000	Excess in the computation of proposed vs. filled positions
Permanent Personnel:				
Salaries	1,943,000	4,344,000	6,287,000	Excess in the computation of authorized vs. filled positions
Life and Retirement Insurance	234,000	521,000	755,000	12% of total salaries for filled pos.
Personnel Economic Relief Allowance	192,000	480,000	672,000	Limited to P2,000/mo. x 12 mos. x filled positions
Uniform/Clothing Allowance	40,000		40,000	Limited to P5,000/yr. x filled pos.
Year-end Bonus	301,000	398,000	699,000	Limited to one month salary per employee
Cash Gift	40,000	100,000	140,000	Limited to P5,000/yr. x filled pos.
Productivity Incentive Benefit	16,000	40,000	56,000	Limited to P2,000/yr. x filled pos.
Subsistence Allowance	144,000	360,000	504,000	Limited to P1,500/mo. x 12 mos. x filled positions

**TO: EMPLOYEES' COMPENSATION COMMISSION and OCCUPATIONAL SAFETY AND HEALTH CENTER (ECC-OSHC)**

Laundry Allowance	14,000	35,000	49,000	Limited to P150/mo. x 12 mos. x filled positions
Hazard Pay	50,000	1,482,000	1,532,000	Limited to 25% of the basic salary of public health workers with SG-19 and below; 5% with SG-20 and above per Section 21 of R.A. No. 7305 (Magna Carta)
Longevity Pay	249,000	1,003,000	1,252,000	PHWs shall either be entitled to step increment or longevity pay but not both benefits
Per diem		360,000	360,000	Limited to 2 appointive Board mem.
Employee Compensation Insurance Premium	10,000	24,000	34,000	Limited to P100/mo. x 12 mos. x filled positions
PAG-IBIG Contributions	10,000	24,000	34,000	Limited to P100/mo. x 12 mos. x filled positions
PhilHealth Insurance Premiums		316,000	316,000	Excess in the computation made
<b>TOTAL</b>	<b>P 5,382,000</b>	<b>P 9,487,000</b>	<b>P 14,869,000</b>	

c/ MOOE level is computed considering actual/audited expenses for the previous years and the effects of inflation; thus, disallowance of P9,212,000. The authorized level of Extraordinary and Miscellaneous Expenses for the Executive Director of ECC and OSHC amounts to P110,000.

d/ CO is intended for the following:

	<u>ECC</u>	<u>OSHC</u>	<u>TOTAL</u>
IT Equipment	P 7,000,000	P 7,000,000	P 7,000,000
Furnitures, Fixtures, Office & Training Equip.	3,110,000	10,250,000	13,360,000
Motor Vehicle	1,300,000	1,500,000	2,800,000
Renov. of 2nd floor & conversion of training room	1,500,000		1,500,000
Construction of covered scaffolding training area		1,000,000	1,000,000
<b>TOTAL</b>	<b>P 5,910,000</b>	<b>P 19,750,000</b>	<b>P 25,660,000</b>

The authority to purchase motor vehicles shall be acted upon separately, once the necessary supporting documents are submitted, (i.e. specification/description of motor vehicles to be purchased, cost, deployment, justification and inventory of existing motor vehicles).

The approval of the COB shall be subject to the following conditions:

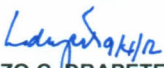
1. All expenditures, whether for current operating expenditures or COs, shall be made within the limits of available funds realized from corporate receipts, authorized corporate borrowings and National Government budgetary support either in the form of subsidy, equity or loans outlay.
2. Disbursement for personnel amelioration/benefit shall be subject to the pertinent compensation laws, rules and regulations, including E.O. Nos. 7 and 24 dated September 8, 2010 and February 10, 2011, respectively. Such expenditures shall also be conditioned on the relevant General Provisions of Republic Act (R.A.) No. 10155, the FY 2012 General Appropriations Act (ex. Representation and Transportation Allowance under Section 45, General Provisions), or any specific law or approval of the President of the Philippines or Secretary of Budget and Management, as the case maybe.
3. Disbursements for extraordinary and miscellaneous expenses shall be subject to Section 23, General Provisions of R.A. No. 10155.
4. Disbursements from the Confidential & Intelligence Fund shall be covered by an approval from the President of the Philippines.



**TO: EMPLOYEES' COMPENSATION COMMISSION and OCCUPATIONAL SAFETY AND HEALTH CENTER (ECC-OSHC)**

5. For equipment items per Annual Equipment Procurement Program that require specific clearance/approval from the Agencies concerned (ex. National Computer Center for information technology equipment and Office of the President/Department of Budget and Management/Supervising Department for motor vehicles), the same shall be secured before acquisition thereof in accordance with Corporate Budget Circular No. 17 dated February 9, 1996, National Budget Circular Nos. 446 & 446-A dated November 24, 1995 and January 30, 1998, respectively; Budget Circular No. 2010-2 dated March 1, 2010, Administrative Order (A.O.) No. 233 dated August 1, 2008, Office of the President Memorandum Circular No. 9 dated December 14, 2010 and A.O. No. 15 dated May 25, 2011, among others.
6. The fiscal discipline measures prescribed under A.O. No. 103 dated August 31, 2004 shall be observed.
7. It is understood that this approval does not authorize any item of expenditure that is prohibited by or inconsistent with the provisions of law.
8. The pertinent laws, rules and regulations including those on compensation, procurement, budgeting, accounting and auditing shall be strictly followed. Compliance with all existing laws, rules and regulations shall be the responsibility of the implementing government corporation.

**Recommending Approval:**

  
**LORENZO C. DRAPETE**  
Director, BMB - F *for*

**Approved by**  
By authority of the Secretary:

  
**MARIO L. RELAMPAGOS**  
Undersecretary *W*

Date: September 17, 2012

COB No. F4-12-0021

cc: The Chairman  
Board of Trustees, ECC/OSHC

Assistant Commissioner Lourdes M. Castillo  
Commission on Audit (COA) - Central Office  
COA Building, Quezon City

The Resident Auditor  
COA - ECC/OSHC