



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
 BONCODIN HALL, GEN. SOLANO ST., SAN MIGUEL, MANILA

CORPORATE OPERATING BUDGET (COB)
 Fiscal Year (FY) 2020

To: Employees Compensation Commission (ECC)

Your COB for FY 2020 per ECC Board Resolution No. 19-12-50 dated December 19, 2019 submitted pursuant to Section 6 of Executive Order (EO) No. 518, series of (s.) 1979 and Section 19, Chapter 3, Book VI of EO No. 292, s. 1987 and as reiterated in Corporate Budget Circular (CBC) No. 22 dated December 1, 2016, is hereby approved for a total of **SIX HUNDRED NINE MILLION FOUR HUNDRED TWENTY-TWO THOUSAND PESOS ONLY (P609,422,000.00)**, details of which are shown below:

| PARTICULARS | PROPOSAL | APPROVED | VARIANCE |
|--|----------------------|----------------------|-----------------------|
| TOTAL SOURCES: | P 652,593,000 | P 652,593,000 | P - |
| Corporate Funds | | | |
| State Insurance Fund | 439,772,000 | 439,772,000 | - |
| Other Income | 43,438,000 | 43,438,000 | - |
| Retained Earnings | 169,383,000 | 169,383,000 | - |
| Of which: | | | |
| Occupational Safety and Health Center (OSHC) | 332,980,000 | 332,980,000 | - |
| State Insurance Fund | 269,831,000 | 269,831,000 | - |
| Other Income | 26,674,000 | 26,674,000 | - |
| Retained Earnings | 36,475,000 | 36,475,000 | - |
| TOTAL USES: | P 649,164,000 | P 609,422,000 | P (39,742,000) |
| Personnel Services | 184,546,000 | 171,527,000 | (13,019,000) a/ |
| Maintenance and Other Operating Expenses | 377,092,000 | 350,369,000 | (26,723,000) b/ |
| Capital Outlays | 87,526,000 | 87,526,000 | c/ - |
| Of which: | | | |
| OSHC | 332,978,000 | 319,054,000 | (13,924,000) |
| Personnel Services | 99,240,000 | 93,003,000 | (6,237,000) |
| Maintenance and Other Operating Expenses | 197,264,000 | 189,577,000 | (7,687,000) |
| Capital Outlays | 36,474,000 | 36,474,000 | - |
| Excess/(Shortfall) | P 3,429,000 | P 43,171,000 | P (39,742,000) |

a/ The PS level variance refers to the following:

| | ECC | OSHC | Total |
|----------------------------|------------------|------------------|-------------------|
| Basic Salary, Permanent | 4,135,000 | 4,731,000 | 8,866,000 |
| Salaries, Casual | 1,402,000 | | 1,402,000 |
| PERA | 24,000 | | 24,000 |
| Uniform/Clothing Allowance | 6,000 | | 6,000 |
| Mid-Year Bonus | 345,000 | 394,000 | 739,000 |
| Year-End Bonus | 345,000 | 394,000 | 739,000 |
| Cash Gift | 5,000 | | 5,000 |
| PEI | 5,000 | | 5,000 |
| Anniversary Bonus | 10,000 | | 10,000 |
| Loyalty Cash Award | 5,000 | 95,000 | 100,000 |
| Philhealth Contributions | 4,000 | 55,000 | 59,000 |
| RLIP | 496,000 | 568,000 | 1,064,000 |
| Total | 6,782,000 | 6,237,000 | 13,019,000 |

Rates computed based on the 4th tranche SSL 4 per EO 201. The ECC is covered by RA 10149, thus is excluded from the coverage of "Salary Standardization Act of 2019 or SSL 5"

Overprovision, based on the prescribed rates x number of authorized positions

- Based on 12% of salaries

b/ The MOOE level was computed considering actual/audited expenses for the previous years and the effects of inflation, except for items covered by contracts and Auditing Services which was based on the Commission on Audit assessment cost of audit fees. Details of variance as follows:

| | ECC | OSHC | Total |
|--|-------------------|------------------|-------------------|
| Supplies & Materials | 2,396,000 | | 2,396,000 |
| Utilities Expense | 1,404,000 | 3,827,000 | 5,231,000 |
| Communications Expense | 1,056,000 | 321,000 | 1,377,000 |
| Repairs and Maintenance Expense | 3,463,000 | 1,913,000 | 5,376,000 |
| Taxes, Insurance Premiums & Other Fees | 13,000 | 1,464,000 | 1,477,000 |
| Transportation and Delivery Expense | 73,000 | 40,000 | 113,000 |
| Membership, Dues and Contributions | 97,000 | 86,000 | 183,000 |
| Subscription Expenses | 14,000 | 36,000 | 50,000 |
| Other MOOE | 10,520,000 | | 10,520,000 |
| | 19,036,000 | 7,687,000 | 26,723,000 |

c/ The CO is recommended as proposed, details as follows:

| | ECC | OSHC | Total |
|-------------------------------------|------------|------------|------------|
| Building and Structures Outlay | 38,500,000 | 10,385,000 | 48,885,000 |
| Machineries and Equipment Outlay | 8,951,000 | 21,479,000 | 30,430,000 |
| Furniture & Fixtures & Books Outlay | 15,000 | 1,410,000 | 1,425,000 |
| ICT Equipment Outlay | 2,086,000 | - | 2,086,000 |



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DEPARTMENT OF BUDGET AND MANAGEMENT
 BONCODIN HALL, GEN. SOLANO ST., SAN MIGUEL, MANILA

CORPORATE OPERATING BUDGET (COB)
 Fiscal Year (FY) 2020

To: Employees Compensation Commission (ECC)

| | | | |
|----------------------------------|-------------------|-------------------|-------------------|
| Transportation Equipment Outlay* | 1,500,000 | 3,200,000 | 4,700,000 |
| Total | 51,052,000 | 36,474,000 | 87,526,000 |

* The purchase of transportation equipment shall be consistent with the following guidelines:

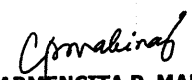
1. Per Administrative Order (AO) No. 14 dated December 10, 2018, the proposed acquisition of motor vehicles is approved by the Department of Budget and Management through the attached Authority to Purchase Motor Vehicle (APMV No. C-20-0028). The procurement shall be subject to the endorsement from the Department of Labor and Employment, as the supervising body of the ECC.
2. Procuring entities may undertake their own procurement of motor vehicles pursuant to GPPB Resolution No. 20-2019.

Notwithstanding the above indicated variances in PS and MOOE, the ECC and the OSHC have the flexibility to modify its utilization within the DBM-approved budget level for each allotment class, funded out of corporate funds.

The following conditions shall be observed and complied with:

1. All expenditures, whether for current operating expenditures or CO, shall be made within the limits of available funds realized from corporate receipts, and authorized corporate borrowings.
2. Any increase in the approved principal COB in the course of the budget year, as may be warranted by additional corporate receipts, shall require the submission of a supplemental COB to cover the additional expenditures.
3. This approval shall not be construed as an authorization for specific expenditure items under PS which requires prior approval by the Office of the President (OP). Disbursement for PS shall strictly observe pertinent compensation laws, rules and regulations, including Executive Order (EO) Nos. 7 and 24 dated September 8, 2010 and February 10, 2011, respectively and EO No. 203 as amended by EO No. 36 (Suspending the Compensation and Position Classification System under EO No. 203, providing for Interim Compensation Adjustments, and for Other Purposes) for GOCCs covered by Republic Act 10149. Such expenditures shall be subject to relevant conditions under the General Provisions of the annual General Appropriations Act (GAA) or any specific law or approval of the President of the Philippines and/or the Secretary of Budget and Management, as the case maybe.
4. Disbursements for Extraordinary and Miscellaneous Expenses (EME) and other MOOE expenditures shall be subject to relevant provisions of the annual GAA, among others.
5. For equipment outlays included in the Annual Procurement Program that require specific clearance/approval from the agencies concerned, the same shall be secured before acquisition thereof. Examples: Department of Information and Communications Technology for procurement of information and communication technology equipment covered by the GOCC's Information System Strategic Plan, and OP/Department of Budget and Management/Supervising Department for the purchase of MVs, in accordance with Corporate Budget Circular No. 17 dated February 9, 1996, Administrative Order (AO) No. 14 dated December 10, 2018; Budget Circular (BC) No. 2019-2 dated March 4, 2019; Office of the President Memorandum Circular No. 9 dated December 14, 2010. Further, the classification/s and specifications of subject MV shall be consistent with the provisions of BC No. 2019-3, BC No. 2019-2, and Annex B of BC No. 2017-1, among others.
6. Electronic payment shall be observed in the disbursement of corporate and public funds. In case the same is impracticable, the GOCC shall be allowed to continue with the existing payment scheme.
7. Notwithstanding the repeal of AO No. 103, existing laws, rules and regulations mandating the judicious and prudent use of government funds shall be observed. No irregular, unnecessary, extravagant, excessive and unconscionable expenses shall be incurred pursuant to AO No. 6 dated September 19, 2017.
8. It is understood that this review action does not authorize any item of expenditure that is prohibited by or inconsistent with the provisions of law.
9. Any and all officials or employees who will authorize, allow or permit, as well as those who are negligent in the performance of their duties and functions which resulted in the incurrence or payment of unauthorized and unlawful obligation or expenditure shall be personally liable to the government for the full amount committed or expended and subject to disciplinary actions in accordance with Section 43, Chapter 5 and Section 80, Chapter 7, Book VI of EO No. 292.

Recommending Approval:


CARMENCITA P. MAHINAY
 Director, BMB-C

Approved:

By Authority of the Secretary


TINA ROSE MARIE L. CANDIA
 Undersecretary

Date: ___ 20-Aug-20

COB No. **C3-2020-0003**

cc: The Chairman
 Board of Directors/Trustees, ECC-OSHC
 The Head, Corporate Sector
 Commission on Audit (COA) - Central Office
 COA Building, Quezon City
 The Resident Auditor
 COA - ECC-OSHC



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
 GENERAL SOLANO STREET, SAN MIGUEL, MANILA

APMV No. C-20-0028

EXECUTIVE DIRECTOR STELLA C. BANAWIS

Employees Compensation Commission (ECC)
 4th& 8th Floors, ECC Building
 355 Senator Gil Puyat Avenue
 Makati City

AUTHORITY TO PURCHASE MOTOR VEHICLE/S

| Qty | Type | Specifications | Cost |
|-------------------------------|---|--|-----------------------|
| <u>ECC</u> | | | |
| One (1) | All-terrain vehicle, commonly referred to as Sports Utility Vehicle | <u>Use:</u> For the transport of personnel, equipment, supplies, products and materials <u>Specifications:</u> Engine displacement not exceeding 2700cc for gasoline or 3000 cc for diesel | ₱ 1,500,000.00 |
| <u>OSHC</u> | | | |
| One (1) | Mini Bus | <u>Use:</u> For mass transportation of personnel/visitors for activities related to education, trade and investment promotions and other official functions <u>Specifications:</u> Engine displacement not exceeding 4500 cc for diesel | 3,200,000.00 |
| 2 | | | ₱ 4,700,000.00 |
| TOTAL AMOUNT IN WORDS: | | ** FOUR MILLION SEVEN HUNDRED THOUSAND PESOS ONLY ** | |
| FUNDING SOURCE: | | FY 2020 CORPORATE FUNDS | |

CONDITIONS:

1. The motor vehicles (MVs) shall be used only for official purpose, the intended use and/or by the intended user, for which the MVs were requested as herein authorized. The acquisition/purchase of subject MVs shall be in accordance with the provisions of, among others, Administrative Order (AO) No. 14 dated December 10, 2018; Budget Circular (BC) No. 2019-3 dated May 16, 2019; BC No. 2019-2 dated March 4, 2019; Office of the President Memorandum Circular No. 9 dated December 14, 2010; BC No. 2010-2 dated March 1, 2010; and National Budget Circular (NBC) No. 446 dated November 24, 1995, as amended by NBC No. 446-A dated January 30, 1998. Further, the classifications and specifications of subject MVs shall be consistent with the provisions of BC No. 2019-2, and Annex B of BC No. 2017-1.
2. Moreover, it is understood that the acquisition of said MVs shall be in accordance with the Government Procurement Reform Act (Republic Act No. 9184) and its Implementing Rules and Regulations, as well as the usual budgeting, accounting, auditing rules and regulations.
3. The purchase of motor vehicle/s shall in no case be used as justification to request for additional driver positions.
4. The ECC shall submit **within 30 days from the date of acquisition**, a written report on the purchased motor vehicle/s to the DBM (through Budget and Management Bureau-C), pursuant to National Budget Circular No. 438 dated January 11, 1995.
5. The ECC shall also submit, within **six (6) months, a report on the disposal of the motor vehicle/s being replaced by the unit/s (if any)** under this authority, pursuant to AO No. 15 dated May 25, 2011.

APPROVED:

By Authority of the Secretary:


TINA ROSE MARIE L. CANDIA
Undersecretary *Cjann*

**Employees' Compensation Commission (ECC)
Request for Authority to Purchase Motor Vehicles (MVs)**

ANNEX C1

| GOCC Request | | | | | | | DBM Recommendation | | | | | |
|--------------|------|--|--|------------------------------|--|---|---|----------|---|---|------------------------------|--|
| GOCC | Qty. | Type/ Amount | Specifications | Deployment | Certification | Board Resolution | Inventory of Motor Vehicles | Qty. | Type/Amount | Specifications | Deployment | Remarks/ Justifications |
| ECC | 1 | All-terrain vehicle, commonly referred to as Sports Utility Vehicle (SUV) @ P1,500,000 | 7-seater ; 5 door Fuel tank at least 65 L; engine size 1.9 to 2.4 L; 4 cylinders; 16 valves; at least 6 speed gear; automatic transmission | Central and Regional Offices | Certification on the availability of funds dated February 12, 2020 certified by the Budget Officer of ECC. | Per Board Resolution No. 19-11-39 dated November 19, 2019 and Board Resolution No. 19-12-50 dated February 12, 2020 approving the endorsement for the proposed COB. | Per Inventory of MVs as of December 31, 2019, ECC has the following MVs: Condition: Good - 6 units Poor - 2 units Total = 8 units | 1 | Sports Utility Vehicle (SUV) @ P1,500,000 | Engine displacement not exceeding 2700cc for gasoline or 3000 cc for diesel | Central and Regional Offices | For transport of ECC officials and employees to and from various locations in the implementation of its mandate on information advocacy, campaign, restoration and rehabilitation services for Persons w/ Related Disabilities and other related activities. |
| OSHC | 1 | 29-Seater Aircon Coaster @ P3,200,000 | Standard /Long D4DB1 Door; Long Body with engine 4 in -line; maximum power/Torque 155 (Gen); type: 5 forcord and reverse; fuel tank 95 L | Central Office | Certification on the availability of funds dated June 29, 2020 certified by OSHC Accountant Patricia Cunanan | | Inventory of MVs as of December 31, 2019 for OSHC is as follows: Condition: Good - 11 units Poor - 3 units Total = 14 units | 1 | Mini-bus @ P3,200,000 | Engine displacement not exceeding 4500cc for diesel | Central Office | For shuttle service of employees, training participants to plant visits, conduct of research studies and Work Environment Measurement |
| | 2 | P 4,700,000 | TOTAL | | | | | 2 | P 4,700,000 | TOTAL | | |

Per SPIB Allowable Recommended Cost of MV for FY 2020

Prevailing Government Price (as of February 2019)

| | SPIB Cost | Proposed | DBM Recomm |
|----------|----------------------------|------------------|------------------|
| SUV | Not to exceed P2.8 Million | 1,500,000 | 1,500,000 |
| Mini-Bus | Not to exceed P5 Million | 3,200,000 | 3,200,000 |
| | | 4,700,000 | 4,700,000 |