



Republic of the Philippines
DEPARTMENT OF BUDGET AND MANAGEMENT
 Boncodin Hall, General Solano Street San Miguel Manila

CORPORATE OPERATING BUDGET

Calendar Year 2016

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

Your Corporate Operating Budget (COB) for Calendar Year 2016 per ECC Board Resolution No. 15-12-53 and OSHC Board Resloution No. 20-15-12-10 both dated December 14, 2015, and OSHC Supplemental Budget per OSHC Board Resolution No. 2016-02-05 dated February 29, 2016, 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 amount not exceeding **THREE HUNDRED THIRTY-FOUR MILLION SEVEN HUNDRED NINETY FIVE THOUSAND PESOS ONLY (P334,795,000)** details of which are shown below:

PARTICULARS	PROPOSAL (a)	APPROVED (b)	VARIANCE (c=b-a)	REMARKS
TOTAL SOURCES:	P <u>349,314,000</u>	P <u>349,314,000</u>	P -	
Corporate Funds	349,314,000	349,314,000	a/ -	
Employees' Compensation Commission (ECC)	153,072,000	153,072,000		
State Insurance Fund (SIF)	128,738,000	128,738,000	-	
Income/Retained Earnings	24,334,000	24,334,000		
Occupational Safety and Health Center (OSHC)	196,242,000	196,242,000		
SIF	135,696,000	135,696,000		
Income/Retained Earnings	60,546,000	60,546,000		
TOTAL USES:	P <u>341,586,000</u>	P <u>334,795,000</u>	P <u>(6,791,000)</u>	
Personnel Services (PS)	130,108,000	126,435,000	(3,673,000) b/	
ECC	62,923,000	59,930,000	(2,993,000)	
OSHC	67,185,000	66,505,000	(680,000)	
Maintenance & Other Operating Exp. (MOOE)	133,818,000	130,700,000	(3,118,000) c/	
ECC	59,807,000	58,819,000	(988,000)	
OSHC	74,011,000	71,881,000	(2,130,000)	
Capital Outlays (CO)	77,660,000	77,660,000	d/ -	
ECC	22,814,000	22,814,000	-	
OSHC	54,846,000	54,846,000	-	
Excess/Shortfall	P <u>7,728,000</u>	P <u>14,519,000</u>	P <u>6,791,000</u>	

Footnotes:

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

b/ The variance of P3,673,000 refers to the following:

	ECC	OSHC	TOTAL	REMARKS
Contractuals/Casuals				
Productivity Enhancement Incentive (PEI)	511,000		511,000	Excess in the computation
Permanent/Regular:				
Salaries and other benefits	500,000	680,000	1,180,000	Salaries of 1 Engineer pos. not yet been approved by GCG and erroneous computation of ECC on the salaries of 2 positions; OSHC excess of 1 pos. in the number of filled pos.
Transportation Allowance (TA)	108,000		108,000	Executive Director with service car is not entitled to TA.
PEI	1,733,000		1,733,000	Excess in the computation

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Rice Allowance/Subsidy	132,000	132,000	Limited to incumbents as of June 30, 1989
Hazard Pay	9,000	9,000	Excess in the computation
TOTAL	P 2,993,000	P 680,000	P 3,673,000

- c/ MOOE level is computed based on the actual/audited expenses for the previous years and the effects of inflation.
- d/ CO is intended for the following:

	ECC	OSHC	TOTAL
Transportation Equipment	1,500,000	6,000,000	7,500,000
Furnitures, Fixtures, Office & Training Equip.	11,814,000	16,101,000	27,915,000
Laboratory Equipment		700,000	700,000
Building Improvement	9,500,000	19,500,000	29,000,000
IT equipment (ISSP)	-	12,545,000	12,545,000
TOTAL	P 22,814,000	P 54,846,000	P 77,660,000

The authority to purchase motor vehicle 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. Disbursements for personnel amelioration/benefit shall be subject to the pertinent compensation laws, rules and regulations, including E.O. Nos. 7 & 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. 10717, the FY 2016 General Appropriations Act (ex. Representation and Transportation Allowances under Section 59, General Provisions), or any specific law or approval of the President of the Philippines or Secretary of Budget and
3. Disbursements for extraordinary and miscellaneous expenses shall be subject to Section 47, General Provisions of R.A. No. 10717.
4. For equipment items per Annual Equipment Procurement Program that require specific clearance/approval from the Agencies concerned (ex. Medium-Term Information and Communication Technology Harmonization Initiative Secretariat 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 and National Budget Circular Nos. 446 and 446-A dated November 24, 1995 and January 30, 1998, respectively; Budget Circular No. 2010-2 dated March 1, 2010 and 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.
5. The fiscal discipline measures prescribed under A.O. No. 103 dated August 31, 2004 shall be observed.
6. 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.
7. 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
LORENZO C. DRAPETE
 Director, Budget and Management Bureau-C 4

Approved:

Benjamin E. Diokno
BENJAMIN E. DIOKNO
 Secretary

AUG 17 2016

COB-C4-16-0017

Date:
 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



Department of Budget and Management
 2016-BC-021287-C-18-1

Department of Budget and Management
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