



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

CORPORATE OPERATING BUDGET (COB)
Fiscal Year (FY) 2021

To: Employees Compensation Commission (ECC)

Your COB for FY 2021 per ECC Board Resolution Nos. 20-09-24 dated September 24, 2020 and 21-06-20 dated June 28, 2021, 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 **FIVE HUNDRED EIGHTY MILLION SIX HUNDRED THIRTY THOUSAND PESOS ONLY (P580,630,000.00)**, details of which are shown below:

PARTICULARS	PROPOSAL	APPROVED	VARIANCE
TOTAL SOURCES:	P 602,633,000	P 602,633,000	P -
Corporate Funds			
State Insurance Fund	497,165,000	497,165,000	-
Other Income	54,722,000	54,722,000	-
Retained Earnings	50,746,000	50,746,000	-
Of which:			
Occupational Safety and Health Center (OSHC)	286,130,000	286,130,000	-
State Insurance Fund	231,408,000	231,408,000	-
Other Income	54,722,000	54,722,000	-
TOTAL USES:	P 602,633,000	P 580,630,000	P (22,003,000)
Personnel Services	178,648,000	173,517,000	(5,131,000) a/
Maintenance and Other Operating Expenses	347,430,000	330,558,000	(16,872,000) b/
Capital Outlays	76,555,000	76,555,000	c/ -
Of which:			
OSHC	286,130,000	278,272,000	(7,858,000)
Personnel Services	101,054,000	96,148,000	(4,906,000)
Maintenance and Other Operating Expenses	159,352,000	156,400,000	(2,952,000)
Capital Outlays	25,724,000	25,724,000	-
Excess/(Shortfall)	P -	P 22,003,000	P (22,003,000)

a/ The PS level variance refers to the following:

	ECC	OSHC	Total
Basic Salary, Permanent	89,000	3,766,000	3,855,000
Mid-Year Bonus		314,000	314,000
Year-End Bonus		314,000	314,000
Philhealth Contributions	29,000	60,000	89,000
RATA	96,000		96,000
RLIP	11,000	452,000	463,000
Total	225,000	4,906,000	5,131,000

Rates computed based on the 4th tranche SSL 4 per EO 201. The ECC is covered by RA 10149,

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

Based on the prescribed rates in Section 56 of the General Provisions of the FY 2021 GAA

- Based on 12% of basic 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. Details of variance as follows:

	ECC	OSHC	Total
Supplies & Materials	1,808,000	890,000	2,698,000
Other Supplies and Materials			-
Utilities Expense	1,342,000	1,133,000	2,475,000
Communications Expense	1,090,000	766,000	1,856,000
Repairs and Maintenance Expense	3,376,000	163,000	3,539,000
Printing and Publication Expenses	112,000		112,000
Transportation and Delivery Expense	76,000	-	76,000
Donation	179,000		179,000
Subscription Expenses	14,000	-	14,000
Other MOOE	5,923,000		5,923,000
Total	13,920,000	2,952,000	16,872,000

To: Employees Compensation Commission (ECC)

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

	ECC	OSHC	Total
Building and Structures Outlay	32,632,000	10,180,000	42,812,000
Machineries and Equipment Outlay	8,702,000	13,344,000	22,046,000
Furniture & Fixtures & Books Outlay	3,015,000	2,200,000	5,215,000
ICT Equipment Outlay	4,982,000	-	4,982,000
Transportation Equipment Outlay*	1,500,000	-	1,500,000
Total	50,831,000	25,724,000	76,555,000

* The transportation equipment was approved per APMV No.C-20-0028. Only the payment for the purchase of the motor vehicle is included in this COB.

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

The following conditions shall be observed and complied with:

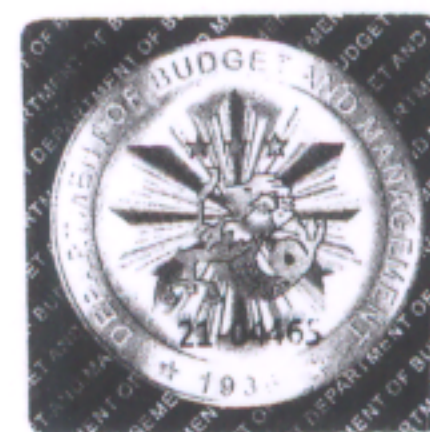
1. All expenditures, whether for current operating expenditures or CO, shall be made within the limits of available funds realized from corporate receipts, and authorized corporate borrowings.
2. Any increase in the approved principal COB in the course of the budget year, as may be warranted by additional 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 tohers.
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:

Digitally signed by
Elena Regina S.
Brillantes

ELENA REGINA S. BRILLANTES

OIC Director, BMB-C

**Approved:**

TINA ROSE MARIE L. GANDA

Officer-In-Charge, DBM

Date: _____

COB No. C2-2021-0005

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