



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

CORPORATE OPERATING BUDGET (COB)

Fiscal Year (FY) 2022

TO: EMPLOYEES COMPENSATION COMMISSION (ECC)

Your COB for FY 2022 per ECC Board Resolution Nos. 21-10-27 and 22-03-05 dated October 28, 2021 and March 29, 2022, respectively, 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 **NINE HUNDRED SIXTY-TWO MILLION TWO HUNDRED SIXTY-EIGHT THOUSAND PESOS ONLY (P962,268,000.00)**, details of which are shown below:

PARTICULARS	PROPOSAL	APPROVED	VARIANCE
TOTAL SOURCES:	P 1,022,303,000	P 1,022,303,000	P -
Corporate Funds			
State Insurance Fund	879,092,000	879,092,000	-
Other Income	17,832,000	17,832,000	-
Retained Earnings	125,379,000	125,379,000	-
Of which:			
Occupational Safety and Health Center (OSHC)	334,097,000	334,097,000	-
State Insurance Fund	262,768,000	262,768,000	-
Other Income	6,688,000	6,688,000	-
Retained Earnings	64,641,000	64,641,000	-
TOTAL USES:	P 1,004,471,000	P 962,268,000	P (42,203,000)
Personnel Services	201,272,000	201,272,000	a/ -
Maintenance and Other Operating Expenses	705,917,000	664,214,000	b/ (41,703,000)
Capital Outlays	97,282,000	96,782,000	c/ (500,000)
Of which:			
OSHC	327,409,000	308,164,000	(19,245,000)
Personnel Services	115,614,000	115,614,000	-
Maintenance and Other Operating Expenses	175,251,000	156,006,000	(19,245,000)
Capital Outlays	36,544,000	36,544,000	-
Excess/(Shortfall)	P 17,832,000	P 60,035,000	P (42,203,000)

- a/ The recommended PS level considers the pending Compensation and Position Classification System (CPCS) authority for the ECC to be issued by the Governance Commission for Government-Owned or Controlled Corporations (GCG) containing the ECC's classification, job evaluation results, and tiering, pursuant to Executive Order No. 150 dated October 1, 2021, its implementing rules and regulations, and corresponding CPCS circulars for each PS item.
- b/ The recommended MOOE level includes **P344 million for the implementation of the Quick Response Program**. The MOOE level is computed considering the prior year's performance on budget utilization except for financial expenses and those items covered by contracts which are recommended as proposed, and Extraordinary and Miscellaneous Expenses which are computed based on prescribed rates by the GCG.
- c/ The recommended CO level considers the implementation-readiness of the projects and activities which are expected to be completed within the year as certified by the ECC.

Notwithstanding the above indicated variances in MOOE and CO, 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:

- 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.
- 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.
- This approval shall not be construed as an authorization for specific expenditure items under PS which requires prior approval by the OP. **Disbursements for PS shall strictly observe pertinent compensation laws, rules and regulations**, including EO Nos. 7 and 24 dated September 8, 2010 and February 10, 2011, respectively and EO No. 150 for Government-Owned or-Controlled Corporations (GOCCs) covered by RA No. 10149. Such expenditures shall also be subject to relevant conditions under the General Provisions (GPs) of the annual General Appropriations Act (GAA) or any specific law or approval of the President of the Philippines and/or Secretary of Budget and Management or the Governance Commission for GOCCs, as the case may be.
- Disbursements for Extraordinary and Miscellaneous Expenses (EME) and other MOOE expenditures shall be subject to relevant provisions of the annual GAA, among others.

TO: EMPLOYEES COMPENSATION COMMISSION (ECC)

5. For equipment outlays included in the Annual Procurement Program that require specific clearance/approval from the agencies concerned, 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 motor vehicles (MV), in accordance with the provisions of the Budget Circular No. 2022-1 (Omnibus Guidelines on the Acquisition, Use, Rental, and Replacement of Motor Vehicles), RA No. 9184 (Government Procurement Reform Act) and its Implementing Rules and Regulations, among others.
6. Electronic payment shall be observed in the disbursement of corporate and public funds. In cases when the adoption is impracticable, 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:


MARIA GRACE M. DE LOS SANTOS
Director, BMB-C

Date: 30 August 2022

Approved:

By Authority of the Secretary


TINA ROSE MARIE L. CANDA
Undersecretary, DBM

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

COB No. C2-2022-0032

Date: AUG 31 2022