



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

CORPORATE OPERATING BUDGET
Fiscal Year 2019

TO: LIGHT RAIL TRANSIT AUTHORITY (LRTA)

Your Corporate Operating Budget (COB) for Fiscal Year 2019 per Secretary's Certificate approving Resolution No. 021-2019 dated March 12, 2019, submitted pursuant to Section 6 of Executive Order (EO) No. 518, series of 1979 and Section 19, Chapter 3, Book VI of EO No. 292, series of 1987, is hereby approved for a total of **TEN BILLION EIGHT HUNDRED EIGHTY-EIGHT MILLION FOUR HUNDRED FORTY-EIGHT THOUSAND PESOS ONLY (P10,888,448,000)**, details of which are shown below:

PARTICULARS	PROPOSAL (a)	APPROVED (b)	VARIANCE (c=b-a)
TOTAL SOURCES:			
Corporate Funds	P 21,263,208,000	P 10,932,690,000	(10,330,518,000)
National Government Subsidy	2,422,246,000	2,422,246,000	-
Net Lending (BTr Advances)	15,949,505,000	5,618,987,000	(10,330,518,000)
	2,891,457,000	2,891,457,000	-
TOTAL USES:			
Personnel Services (PS)	P 21,263,208,000	P 10,888,448,000	P (10,374,760,000)
Maintenance and Other Operating Expenses (MOOE)	570,846,000	570,846,000	-
Capital Outlays (CO)	18,735,921,000	8,361,161,000	(10,374,760,000)
	1,956,441,000	1,956,441,000	-
Excess/(Shortfall)	P -	P 44,242,000	P 44,242,000

Footnotes:

- a/ Includes the amount of P183 Million from SM Prime Holdings, Inc. for the configuration of LRT Line 1 North Extension Project - Unified Grand Central Station.
- b/ Includes the amount of P3.845 Billion for the conversion of National Government (NG) advances into subsidy in FY 2019
- c/ Recommended for inclusion under the Unprogrammed Fund in the FY 2020 National Expenditure Program.
- d/ Variance in MOOE pertains to adjustments in computing the recommended level, based on the actual/audited amounts for the previous years, plus the effects of inflation, details as follows:

Communication Expense	P 1,484,000	
Repair and Maintenance - Government Vehicle	718,000	
Gasoline, Oil and Lubricants	2,710,000	
Transportation and Delivery Expenses	30,000	
Water, Illumination and Power Service	10,288,000	
Supplies and Materials	4,724,000	
Repair and Maintenance - Office Equipment	66,000	
Repair and Maintenance - Machinery/IT Equipment	331,000	
Printing, Binding and Subscription Expense	489,000	
Advertising, Publications and Promotional	320,000	
Extraordinary and Miscellaneous Expense	174,000	
Representation Expense	3,040,000	
Fidelity Bonds and Insurance Premiums	1,330,000	
Legal/Survey/Consultancy Service	11,395,000	
Other Benefits	5,662,000	
Cultural and Athletics Activities	84,000	
Subscription Expense	63,000	
Xerox Reproduction and Maintenance	61,000	
Other Miscellaneous Expense	1,273,000	
Sub-total	P 44,242,000	
Balance of the Conversion of BTr Advances into Subsidy	10,330,518,000	c/
Total, MOOE	P 10,374,760,000	

d/ Recommended CO level is broken down as follows:

Office Equipment and Furniture and Fixtures	P 9,399,000	
Machineries & Equipment Outlay	5,188,000	
Transportation Equipment *	1,440,379,000	
Trainsets	1,418,500,000	
Motor vehicles (including ten (10) units of Electric Bike which was not covered by APMV)	21,879,000	
Other Capital Outlays	501,475,000	
Total	P 1,956,441,000	

TO: LIGHT RAIL TRANSIT AUTHORITY (LRTA)

* 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 an Authority to Purchase Motor Vehicle per attached **APMV No. C-19-0027**, and shall be subject to prior approval from the Department of Transportation, as the supervising body of the LRTA.
2. Procuring entities may undertake their own procurement of motor vehicles pursuant to GPPB Resolution No. 20-2019 which delisted the motor vehicles from the list of Common-Use Supplies and Equipment to be procured thru the Procurement Service (PS).

Notwithstanding the above-indicated variance in MOOE, the LRTA has the flexibility to modify its utilization within the DBM-approved budget level for items funded out of the corporate funds. In case of those funded out of NG budgetary support, Section 76 of the General Provisions of RA No. 11260 on the rules on the modification in allotment shall apply.

Further, the following conditions shall be observed and complied with:

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. 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. Disbursements for PS shall 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. 203 as amended by EO No. 36 (Suspending the CPCS under EO No. 203, Providing for Interim Compensation Adjustments, and for Other Purposes) for GOCCs covered by RA No. 10149. Such expenditures shall be subject to relevant General Provisions 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 and the GCG, as the case may be.
4. The interim measures prescribed under EO 36 dated July 28, 2017 as implemented by GCG Memorandum No. 2017-03 dated August 24, 2017 shall be strictly observed.
5. Disbursements for Extraordinary and Miscellaneous Expenses (EME) and othe MOOE expenditures shall be subject to relevant provisions of the annual GAA, among others.
6. 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 motor vehicles (MV), in accordance with Corporate Budget Circular No. 17 dated February 9, 1996, Administrative Order 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 motor vehicle/s shall be consistent with the provisions of BC No. 2019-2, and Annex B of BC No. 2017-1, among others.
7. 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.
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, 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, BMS -C

Date: 10-8-19

Approved:

By Authority of the Acting Secretary:


TINA ROSE MARIE L. CANDA

Undersecretary

COB-C3-19-0024

cc: The Chairman
Board of Directors, LRTA

Assistant Commissioner
Commission on Audit (COA) - Central Office
COA Building, Quezon City

The Resident Auditor
COA-LRTA

Department of Budget and Management
BTS



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