



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

**CORPORATE OPERATING BUDGET**  
 Fiscal Year 2021

To: **Light Rail Transit Authority (LRTA)**

Your Corporate Operating Budget (COB) for FY 2021 per LRTA's Board Resolution No. 016-2021 dated May 10, 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 **TEN BILLION NINE HUNDRED EIGHTEEN MILLION THIRTY-ONE THOUSAND PESOS ONLY (P 10,918,031,000)** details of which are shown below:

PARTICULARS	PROPOSAL	APPROVED	VARIANCE
<b>TOTAL SOURCES:</b>			
Corporate Funds	P 10,921,274,000	P 10,921,274,000	P -
National Government Subsidy	4,580,559,000	4,580,559,000	a/ -
Net Lending (BTr Advances)	3,298,783,000	3,298,783,000	b/ -
	3,041,932,000	3,041,932,000	-
<b>TOTAL USES:</b>			
Personnel Services (PS)	P 10,921,274,000	P 10,918,031,000	P (3,243,000)
Maintenance and Other Operating Expenses (MOOE)	519,020,000	519,020,000	-
Capital Outlays (CO)	997,971,000	994,728,000	(3,243,000) d/
Others	6,362,351,000	6,362,351,000	e/ -
	3,041,932,000	3,041,932,000	f/ -
<b>Excess/(Shortfall)</b>	P -	P 3,243,000	P (3,243,000)

- Footnotes:**
- a/ Inclusive of P1.036 Billion Prior Years' Subsidy, P263 Million rail revenue, P19 Million allocation for Engineering and Administrative Overhead Expenses and P262 Million non-rail revenues
  - b/ Inclusive of P2.280 Billion downloaded funds from the DOTr for the Implementation of Line 1 South Extension Project
  - c/ Net of non-cash MOOE amounting to P1.664 Billion.

d/ 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:

Repair and Maintenance of Government Facilities	279,000
Repair and Maintenance of Government Vehicles	97,000
Repair and Maintenance of Machinery & IT Equipment	319,000
Fidelity Bonds and Insurance Premium	2,430,000
Printing, Binding and Subscription Expenses	26,000
Representation Expenses	58,000
Transportation and Delivery Expenses	34,000
<b>Total</b>	<b>P 3,243,000</b>

The CO is recommended as proposed, details as follows:

Buildings & Other Structures	1,554,540,000
Land & Land Improvements	1,230,394,000
Office Equipment and Furniture & Fixtures	60,000
Machineries & Equipment	532,168,000
Transportation Equipment	2,061,460,000
Other CO	983,729,000
<b>Total</b>	<b>P 6,362,351,000</b>

Other expenditure items are as follows:

Debt Services	3,041,932,000
<b>Total</b>	<b>3,041,932,000</b>

Notwithstanding the above indicated variance in MOOE, the LRTA has the flexibility to modify its utilization within the DBM-approved budget level for each allotment class for items funded out of corporate funds. In case of those funded out of NG budgetary support, Section 72 of the General Provisions of RA No. 11518 on the rules on the modification in the allotment shall apply.

- Following conditions shall be observed and complied with:
- All expenditures, whether for current operating expenditures or CO, 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 of the Office of the President (OP). Disbursements for personnel services shall be subject to the pertinent compensation laws, rules and regulations, including EO Nos. 7 (s. 2010), 24 (s. 2011) and 201 (s. 2016). Such expenditures shall be consistent with EO No. 76, s. 2012 and also be conditioned on the relevant General Provisions (GP) of FY 2020 National Expenditure Program (NEP), General Appropriations Act (GAA) or any specific law or approval of the President of the Philippines or Secretary of Budget and Management, as the case may be.
  - Disbursements for Extraordinary and Miscellaneous Expenses (EME) and other MOOE expenditures shall be subject to relevant provision of the annual NEP/GAA.
  - Collective Negotiations Agreement (CNA) may be granted to qualified personnel subject to the relevant provisions of the annual NEP/GAA and policies, rules and regulations issued by the DBM.



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**To: Light Rail Transit Authority (LRTA)**

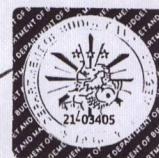
6. For equipment outlays included in the Annual Procurement Program that require specific clearance/approval from the agencies concerned, the same shall be secured before acquisition thereof. Examples: Department of Information and Communications Technology for procurement of information and communication technology equipment covered by the GOCC's Information System Strategic Plan, and OP/Department of Budget and Management/Supervising Department for the purchase of 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.
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. 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.
9. 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.
10. 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 incurrance 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 Mariel L. Canda*  
**TINA ROSE MARIEL L. CANDA**  
 Officer-in-Charge, DBM



COB No. **C3-21-0013**

Date: **SEP 14 2021**

- cc:
- The Chairman  
Board of Directors, LRTA
  - Assistant Commissioner Winnie Rose H. Encallado  
Commission on Audit (COA) - Central Office  
COA Building, Quezon City
  - The Resident Auditor  
COA - LRTA