



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

CORPORATE OPERATING BUDGET
 Calendar Year 2016

TO: SOCIAL HOUSING FINANCE CORPORATION (SHFC)

Your Corporate Operating Budget (COB) for Calendar Year 2016 per approved Board Resolution No. 486 Series of 2015 dated December 2, 2015, 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 of **FIVE BILLION FIVE HUNDRED FIFTY ONE MILLION THREE HUNDRED FORTY SEVEN THOUSAND PESOS ONLY (P5,551,347,000)**, details of which are shown below:

PARTICULARS	PROPOSAL (a)	APPROVED (b)	VARIANCE (c=b-a)
TOTAL SOURCES:	P 7,878,674,000	P 7,878,674,000	P -
Corporate Funds	627,867,000	627,867,000	-
National Government (NG) Support	<u>7,250,807,000</u>	<u>7,250,807,000</u>	-
Community Mortgage Program (CMP)	1,750,000,000	1,750,000,000	a/
High Density Housing Program (HDHP)	5,500,807,000	5,500,807,000	b/
TOTAL USES:	P 7,370,931,000	P 5,551,347,000	P (1,819,584,000)
Personnel Services (PS)	247,777,000	220,282,000	(27,495,000) c/
Maintenance and Other Operating Expenses (MOOE)	<u>830,692,000</u>	<u>318,861,000</u>	<u>(511,831,000)</u>
Operating Expenses	820,749,000	318,861,000	d/ (501,888,000)
Contingency Fund	9,943,000	-	(9,943,000)
Capital Outlays (CO)	6,292,462,000	5,012,204,000	e/ (1,280,258,000)
Excess/(Shortfall)	P 507,743,000	P 2,327,327,000	P 1,819,584,000

Footnotes:

- a/ Includes P750 Million representing FY 2015 unfunded allotment and appropriations under Republic Act (R.A.) No. 10717, FY 2016 General Appropriations Act (GAA) released through the National Home Mortgage Finance Corporation (NHMFC).
- b/ Includes P4,592,291,000 representing unfunded allotment and Continuing Appropriations as of December 31, 2015.
- c/ The variance of P27,495,000 pertains to the following:

Particulars	Amounts in P '000	Remarks
A. Overprovision of:		
• Salaries	(7,577)	- Rates based on SSL-III 4th Tranche
• PERA	(444)	- Limited to P2,000/month/employee
• Uniform/Clothing Allowance	(20)	- Limited to P5,000/annum/employee
• Year-end Bonus	(158)	- Limited to one (1) month basic salary as of October 31
• Cash Gift	(20)	- Limited to P5,000/annum/employee
• RATA	(5,455)	- Based on FY 2016 GAA rates
• Per Diem of Members of the Board	(168)	- Based on Executive Order No. 24, series of 2011
• Retirement Benefit	(1,924)	- Limited to actual disbursement as of June 2016 + estimates from July to December 2016
• Monetization of Leave Credits	(8,372)	- Limited to actual disbursement as of June 2016 + estimates from July to December 2016
• Provident Fund	(1,137)	- Limited to 15% of basic salary

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• Economic Subsidy	(679)	- Limited to one (1) month basic salary plus allowances 1/
• Children's Allowance	(26)	- Limited to P30/month/employee (maximum of 4 children) 1/
• Meal Allowance	(122)	- Limited to P550/month/employee 1/
• Rice Allowance	(400)	- Limited to P1,800/month/employee 1/
• Medicine Allowance	(28)	- Limited to P7,000/annum/employee 1/
• HMO	(52)	- Limited to actual rate as of August 2015
• Grocery Subsidy (Gift Check)	(200)	- Limited to P50,000/annum/employee (gift check) 1/
• Mid-year Bonus	(119)	- Limited to actual rate as of June 2016 2/
• Productivity Enhancement Incentive	(226)	- Limited to P5,000/annum/employee
• Birthday Gift Benefit	(12)	- Limited to P3,000/annum/employee 1/
• SSS Contribution	(260)	- Rates pursuant to SSS Circular No. 2013-010, s. 2013
• Employees Compensation Insurance Prem.	(7)	- Rates pursuant to SSS Circular No. 2013-010, s. 2013
• Pag-I.B.I.G. Contribution	(22)	- Limited to P100/month/employee
• Philhealth Contribution	(67)	- Pursuant to PhilHealth Circular No. 0027, s. 2013
Sub-total	<u>(27,495)</u>	

1/ Per approved Collective Bargaining Agreement dated December 24, 2008
 2/ From the realigned budget of Productivity Enhancement Incentive

d/ MOOE level is computed considering actual/audited expenses for the previous years, effects of inflation and actual expenditures as of September 30, 2016. The amount authorized for Extraordinary and Miscellaneous Expenses at P741,600 is based on the prescribed rates in the FY 2016 GAA. Provision for GAD is not considered because expenses for this item shall only be from the 5% attribution of the Authority's total FY 2016 DBM-approved COB level, pursuant to Section 35 of the General Provisions of RA 10717, the FY 2016 GAA.

e/ CO is intended for the following:

Loans Outlay	P	4,953,095,000
Buildings and Structures Outlay		13,076,000
Office Equipment, Furniture and Fixtures		<u>46,033,000</u>
TOTAL	P	<u>5,012,204,000</u>

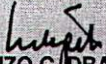
The approval of the COB shall be subject to the following conditions:

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 and 24 dated September 8, 2010 and February 10, 2011, respectively. Such expenditures shall also be conditioned on the relevant General Provisions of R.A. No. 10717, the FY 2016 GAA (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 Management, as the case maybe.
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. National Computer Center 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, National Budget Circular Nos. 446 and 446-A dated November 24, 1995 and January 30, 1998, respectively, Budget Circular Nos. 2010-2 and 2016-5 dated March 1, 2010 and August 22, 2016, respectively, 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.


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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
Director, BMB-C

Approved:


BENJAMIN E. DIOKNO
Secretary

Date: **OCT 20 2016**

COB-C2-16-0062

cc: The Chairman
Board of Directors, SHFC
Assistant Commissioner Lourdes M. Castillo
Commission on Audit (COA) - Central Office
COA Building, Quezon City
The Resident Auditor
COA - SHFC

Department of Budget and Management
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