



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

CORPORATE OPERATING BUDGET
 Calendar Year 2018

TO: MANILA INTERNATIONAL AIRPORT AUTHORITY (MIAA)

Your Corporate Operating Budget (COB) for Calendar Year 2018 per Board Resolution No. 2017-076 dated October 30, 2017, respectively, 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 **TWELVE BILLION FIVE HUNDRED EIGHTY SEVEN MILLION EIGHT HUNDRED THIRTY EIGHT THOUSAND PESOS ONLY (P12,587,838,000)** details of which are shown below:

PARTICULARS	PROPOSAL (a)	APPROVED (b)	VARIANCE (c)
TOTAL SOURCES:	P 13,134,491,000	P 13,134,491,000	P -
Corporate Funds	13,134,491,000	13,134,491,000	-
TOTAL USES:	P 13,120,798,000	P 12,587,838,000	P (532,960,000)
Personnel Services (PS)	1,063,061,000	946,917,000	a/ (116,144,000) b/
Maint. & Other Operating Exp. (MOOE)	4,736,303,000	4,319,487,000	c/ (416,816,000) d/
Capital Outlays (CO)	2,137,245,000	e/ 2,137,245,000	f/ -
Debt Service	1,082,920,000	1,082,920,000	-
Remittance of NG Share	1,634,181,000	1,634,181,000	-
Income Taxes	1,138,656,000	1,138,656,000	-
Dividend	1,328,432,000	1,328,432,000	-
Excess / (Shortfall)	P 13,693,000	P 546,653,000	P 532,960,000

Footnotes:

a/ Includes P87.867 Million for FY 2016 and 2017 Performance Based Bonus to be used **exclusively** for the purpose and which is subject to evaluation, review and approval of GCG.

b/ The variance of P116,144,000 refers to the overprovision for the following:

Year-End Bonus	P 4,000,000	Limited to one month basic salary
RATA	8,626,000	Limited to 40% of monthly salary of personnel entitled hereto. (From Division Manager and above only)
Overtime Pay	62,485,000	Pegged at 2017 actual: subject to the provisions of CSC-DBM Joint Circular No. 1, s. 2015
Hazard Pay	199,000	Limited to P600/mo. x 1,636 positions; per letter approval of the President dated March 24, 2003
Special Counsel Allowance	335,000	Pegged at 2016 actual; no actual expense in 2017
Rice Allowance	22,893,000	Limited to 492 incumbents of positions as of June 30, 1989
Meal Allowance	9,336,000	Limited to 492 incumbents of positions as of June 30, 1989
Children's Allowance	1,410,000	Max. of 4 children; only to 492 incumbent of positions as of June 30, 1989.
Medical Allowance	2,860,000	Limited to 492 incumbents of positions as of June 30, 1989
Mid-End Bonus	4,000,000	Limited to one month basic salary
	P 116,144,000	

c/ Includes Intelligence Fund of P12 Million, the actual utilization of which requires prior approval from the Office of the President pursuant to COA-DBM-DILG-GCG-DND Joint Circular No. 2015-1 dated January 8, 2015.

d/ MOOE is computed considering actual/audited expenses for the previous years, and the effects of inflation. Bulk of the variance pertains to the reduction in janitorial services and other professional services.

e/ The proposed level for CO is intended for the following:


Land & Land Improvements Outlay	P 1,310,345,000
Building & Structures Outlay	293,040,000
Office Equipment, Furniture and Fixture and IT	51,226,000
Machineries and Equipment Outlay	454,064,000
Transportation Equipment	28,570,000
Total, CO	P 2,137,245,000

f/ Includes the purchase of motor vehicles amounting to P28,570,000 which requires prior approval from the Department of Budget and Management and/or Department of Transportation (as its supervising department).

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. This approval shall not be construed as an authorization for specific expenditure items under PS which requires prior approval of the 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 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 RA 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 Secretary of Budget and Management or the GCG, as the case maybe.
4. Disbursements for Extraordinary and Miscellaneous Expenses (EME) and other MOOE items shall be subject to relevant provision of the annual GAA, among others. The Confidential and Intelligence Fund (CIF) shall be covered by a prior approval by the President of the Philippines before disbursement consistent with the provisions of Joint Circular 2015-1 dated January 8, 2015.
5. Equipment Outlays included in the Annual Procurement Program that require specific clearance/approval from the agencies concerned (e.g. Information and Communications Technology Office (DICT-ICTO) particularly MITHI Steering Committee) for information and communication technology equipment and Office of the President/Department of Budget and Management/Supervising Department for procurement of motor vehicles). The same shall be secured before acquisition thereof in accordance with Corporate Budget Circular No. 17 dated February 9, 1996, Budget Circular No. 2017-1 (amending BC No. 2016-5) dated April 26, 2017, and AO No. 15 (amending AO 233, s. 2008) dated May 25, 2011, Office of the President Memorandum Circular No. 9 dated December 14, 2010, among others.
6. Electronic payment shall be observed in the disbursement of corporate and public funds. In cases when the adoption 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 A.O. 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 and 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 292.

Recommending Approval:


CARMENCITA P. MAHINAY
Director, BMB - C

Date: **JUL 04 2018**

cc: The Chairman
Board of Directors, MIAA

Assistant Commissioner Winnie Rose H. Encallado
Commission on Audit (COA) - Central Office
COA Building, Quezon City

The Resident Auditor
COA - MIAA

Approved:

By authority of the Secretary:


TINA ROSE MARIE L. CANDA
Undersecretary

COB-C2-18-0022

Department of Budget and Management
BTS



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