

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

CORPORATE OPERATING BUDGET

Fiscal Year 2023

TO: PHILIPPINE CHARITY SWEEPSTAKES OFFICE (PCSO)

Your Corporate Operating Budget (COB) for FY 2023 per approved PCSO's Board Resolution No. M-0067 dated February 9, 2023, 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 amount of **FIFTY-EIGHT BILLION SEVEN HUNDRED FORTY-ONE MILLION SEVEN HUNDRED THIRTY NINE THOUSAND PESOS ONLY (P58,741,739,000.00)**, details of which are shown below:

PARTICULARS	PROPOSAL (a)	APPROVED (b)	VARIANCE (c=b-a)
TOTAL SOURCES	P 77,142,444,000	P 77,142,444,000	P -
Corporate Funds	77,142,444,000	77,142,444,000	-
TOTAL USES	P 58,747,869,000	P 58,741,739,000	P (6,130,000)
Personnel Services (PS)-Operating Fund	1,984,531,000	1,984,531,000 a/	-
Maintenance & Other Operating Expenses (MOOE)	52,183,590,000	52,183,590,000 b/	-
Operating Fund	4,278,795,000	4,278,795,000	-
Charity Fund	18,149,484,000	18,149,484,000	-
Prize Fund	28,690,720,000	28,690,720,000	-
Printing Cost Fund	1,064,591,000	1,064,591,000	-
Capital Outlays (CO)- Operating Fund	3,799,041,000	3,792,911,000 c/	(6,130,000)
Others	780,707,000	780,707,000 d/	-
Excess	P 18,394,575,000	P 18,400,705,000	P 6,130,000

Footnotes:

- a/ The approved PS level considered the adoption by the PCSO of the Compensation and Position Classification System (CPCS) authority per Governance Commission for Government-Owned or Controlled Corporations (GCG) approval dated January 28, 2022. The said CPCS approval expressly authorizes the SSS to implement Tier 1 of Category 2 Salary Structure based on the authorized CPCS Job Grade equivalent positions, 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 approved MOOE level, specifically for Operating Expenses, is computed considering the PCSO's absorptive capacity for the three (3) immediately preceding years, applying the year with the highest BUR to determine the FY 2023 MOOE level. Notably, the PCSO's FY 2022 BUR is at 100%. The MOOE levels for the three mandatory funds maintained by the PCSO, i.e., Charity Fund, Prize Fund and Printing Cost Fund, are recommended as proposed.
- c/ The approved CO level considers the implementation-readiness of the projects and activities under the respective CO items which are expected to be completed within the year as certified by the PCSO. The variance in CO pertains to the overprovision in proposed amount versus the maximum allowable cost for the MVs.
- The purchase of transportation equipment shall be consistent with the following guidelines:
1. Per Budget Circular No. 2022-01 dated February 11, 2022, the proposed acquisition of motor vehicles is duly approved by the Department of Budget and Management through the attached Authority to Purchase Motor Vehicles (APMV) No. BMB-C-23-0024.
 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 through the Procurement Service (PS).
- d/ Other expenditure items is intended for the payment of dividends.


Notwithstanding the aforementioned variance in CO, the PCSO still has the flexibility to modify its utilization within the DBM-approved budget level for items funded out of corporate funds.

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

1. All expenditures, whether for current operating expenditures or for COs, shall be made within the limits of available funds realized from corporate receipts, authorized corporate borrowings and NG 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 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 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.
4. Disbursements for Extraordinary and Miscellaneous Expenses and other MOOE expenditures shall be subject to the relevant provisions of the annual GAA, among others.
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 Budget Circular (BC) No. 2022-1 dated February 11, 2022; 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; OP 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.
6. Electronic payment shall be observed in the disbursement of corporate and public funds. In case when the same 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 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:

Digitally signed by

 Elena Regina S.
 Brillantes
ELENA REGINA S. BRILLANTES
 Director, BMB-C

Approved by:

By Authority of the Secretary:


CRISTINA B. CLASARA
 Acting Undersecretary, DBM 

cc: **The Chairman**
 Board of Directors, PCSO

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

The Resident Auditor
 COA - PCSO

COB No. C4-23-0027

Date: May 3, 2023