



Republic of the Philippines
Department of Agriculture
SUGAR REGULATORY ADMINISTRATION
Sugar Center Bldg., North Avenue, Diliman, Quezon City, Philippines 1101
TIN 000-784-336

**A RESOLUTION APPROVING THE
PROPOSED CORPORATE OPERATING BUDGET (COB) & INDICATIVE
ANNUAL PROCUREMENT PLAN (APP) FOR FY 2021 AND THE AMENDED 2020
APP**

RESOLUTION NO. 2020-174

WHEREAS, in compliance to the Government Corporate Budget Executive Order of 1979, Department of Budget and Management (DBM) Corporate Budget Circular No. 22, s. 2016 and the 2021 Corporate Budget Call of DBM, the proposed 2021 Corporate Operating Budget (COB) is submitted to the Sugar Board for their review, recommendation and approval;

WHEREAS, the total amount of the Proposed COB for 2021 is One Billion Four Hundred Forty-Two Million and Two Hundred Sixty Thousand (Php 1,442,260,000.00). The following table details the said proposal according to expenditure class:

Table 1. Details of Proposal per Expenditure Class

Expenditure Class	Corporate Fund	National Subsidy (SIDA-NEP Level)	Total	% Share
Personnel Services	240,000,000.00		240,000,000.00	16.64%
Capital Outlay	55,738,000.00	712,260,000.00	767,998,000.00	53.25%
MOOE	434,262,000.00		434,262,000.00	30.11%
Total	730,000,000.00	712,260,000.00	1,442,260,000.00	100.00%

WHEREAS, the following tables show the breakdown of the proposal per Department/Office, details of the National Subsidy (SIDA), and the sources of funds for the proposed COB, respectively:



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Table 2. Breakdown of Proposal per Department/Office

Department	Personnel Services	Capital Outlay	MOOE + Fixed Utilities	TOTAL	% Share
Office of the Board	1,400,000	2,000,000	21,044,282	24,444,282	3.35%
Office of the Administrator	6,000,000	5,317,000	26,383,000	37,700,000	5.16%
Legal Department	7,000,000	740,000	4,160,000	11,900,000	1.63%
Internal Audit Department	5,600,000	220,000	3,664,400	9,484,400	1.30%
Planning, Policy & Special Projects Department	12,000,000	1,285,000	25,715,000	39,000,000	5.34%
Admin & Finance Department – Luzon & Mindanao	46,000,000	6,338,000	43,933,900	126,178,987	17.28%
Admin & Finance Department - Visayas		3,230,000	26,677,087		
Regulation Department – Luzon & Mindanao	74,000,000	6,815,000	24,600,000	135,115,000	18.51%
Regulation Department – Visayas		8,000,000	21,700,000		
Research, Development & Extension – Luzon & Mindanao	88,000,000	7,398,000	104,901,659	338,177,331	46.33%
Research, Development & Extension – Visayas		14,035,000	123,842,672		
Gender & Development	-	360,000	7,640,000	8,000,000	1.10%
TOTAL	240,000	55,738,000	434,262,000	730,000,000	100.00%

Table 3. Details of National Subsidy (SIDA) – NEP Level

SIDA PROGRAM/EXPENDITURE OUTPUT	PCOB – NEP ALLOCATION
CAPITAL/INFRASTRUCTURE OUTLAYS:	
SIDA-Farm to Mill Road - DPWH	712,260,000
Total	712,260,000

Table 4. Sources of Funds

SOURCES OF FUNDS	2021 PROJECTED REVENUES
Permit Fees	81,359,000.00
Registration Fees	6,845,000.00
Clearance and Certification Fees	419,736,000.00
Supervision and Regulation Enforcement Fees	192,201,000.00
Fines and Penalties – Service Income	670,000.00
Other Service Income	5,272,000.00
Rent Income	16,072,000.00
Income from Printing and Publication	660,000.00
Interest Income	2,000,000.00
Other Business Income	3,920,000.00
Gain on Sale of PPE	640,000.00

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Miscellaneous Income	625,000.00
TOTAL CORPORATE SOURCES OF FUND	730,000,000.00
CURRENT YEAR SIDA FUND 2021 – NEP	712,260,000.00
TOTAL CURRENT SOURCES OF FUNDS	1,442,260,000.00

WHEREAS, although the total budget level for 2021 is final and unlikely to change, the breakdown/details of the proposed COB are all still indicative/pre-final as of endorsement. This is still subject to changes depending on the status of implementation and fund utilization of programs funded by the 2020 COB which will be determined after the closing of the Book of Accounts on January 2021;

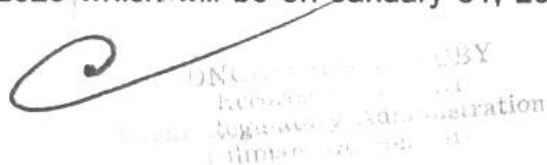
WHEREAS, the attached Indicative Annual Procurement Plan (APP) will also be revised according to the final COB. It is also significant to note that since not all proposed Program/Activities/Projects (PAPs) are for procurement, the total level of the indicative APP is less than the total of the proposed COB;

WHEREAS, the DBM encourages that the COB be submitted within the first quarter of the Fiscal Year, since by this time, the GAA (which is part of SRA's COB) would have been approved and signed by the President. Thus, prior to SRA's submission of the final COB on the 1st quarter of 2021, it is prudent for SRA to request for the Sugar Board's approval of the budget level for 2020 as re-enacted for 2021 which will be used as legal basis for disbursements to be incurred while the 2021 COB is not yet approved by the DBM;

WHEREAS, the Management recommends for Board approval the budget level of the proposed 2021 Corporate Operating Budget (COB) and the Indicative Annual Procurement Plan for FY 2021 with the concomitant grant of authority to the Administrator to sign the proposed 2021 COB and the Indicative APP, subject to compliance with pertinent laws, Department of Budget and Management (DBM) issuances, rules and regulations;

WHEREAS, the Management also recommends for Board approval the re-enactment of the FY 2020 budget level pending the Department of Budget and Management approval of the SRA-COB for FY 2021, wherein said 2020 budget level shall be used as legal basis for disbursements to be incurred during the pendency of the DBM approval for 2021 COB;

WHEREAS, Sugar Board Vice-Chairperson Administrator Hermenegildo R. Serafica voted affirmative for the approval of the budget level of the proposed 2021 Corporate Operating Budget (COB) and the Indicative Annual Procurement Plan for CY 2021 with the concomitant grant of authority to the Administrator to sign the proposed 2021 COB and Indicative APP, subject to compliance to pertinent laws, Department of Budget and Management (DBM) issuances, rules and regulations. This will be subject to adjustments in the details of items but not in the overall budget level once the books are closed for COB 2020 which will be on January 31, 2021. This is

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because projects that have been obligated in 2020 but have not been completed yet have to be re-budgeted in the 2021 COB. So the projects that have already been started in 2020 have legal basis for payment in 2021. This is the protocol of DBM for GOCCs;

WHEREAS, Sugar Board Vice-Chairperson Administrator Hermenegildo R. Serafica voted affirmative for the re-enactment of the FY 2020 budget level pending the Department of Budget and Management (DBM) approval of the SRA-COB for FY 2021, wherein said 2020 budget level shall be used as legal basis for disbursements to be incurred during the pendency of the DBM approval for 2021 COB. The COB for 2021 can only be submitted to DBM after the 2021 GAA has been approved since the approved 2021 GAA should be reflected in our 2021 COB submission to DBM. As such it is necessary to re-enact the 2020 COB level for 2021 since this will serve as legal basis for all disbursements starting January 2021 until such time that the 2021 COB has been approved by DBM. This calendar of COB processing and approval by DBM is beyond SRA's control and this is the protocol for GOCCs which has been in place ever since;

WHEREAS, Planters' Representative Board Member Atty. Emilio Bernardino L. Yulo voted affirmative but observed that based on the attachments he received, there were no comparatives attached to all documents submitted for consideration of the Sugar Board. No comparative for the intended Source of Funds and Revenues. No comparative in percentage utilization per expenditure class (PS, CO and MOOE). No comparative for SIDA project utilization not to mention no list of SIDA projects. Board Member Yulo elaborated that a comparative is very vital with respect to the income which is the source of fund and revenues for the SRA. SRA's total COB is equal to that of its expected revenue for the particular fiscal year. Board Member Yulo further observed that there is nothing in the submission which mentions how much SRA has realized in form of income from January-October 2020;

WHEREAS, Planters' Representative Board Member Atty. Emilio Bernardino L. Yulo reiterated his affirmative vote to the 2021 Corporate Operating Budget with the attached 2021 Indicative APP for QC and the Visayas and the amended 2020 APP **exclusively** based on the representation made by the SRA Management as contained in the documents received by his Office as well as the attachments in the 09 December 2020 referendum;

WHEREAS, Planters' Representative Board Member Atty. Emilio Bernardino L. Yulo manifested that other than the submissions made no intercalation or alterations shall be made on any matter not included in his vote. Board Member Yulo reminded the SRA Management that in the implementation of the 2021 Corporate Operating Budget (COB) there shall be



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strict adherence to the provisions of Republic Act 9184 and the pertinent provisions of SRA's Manual of Corporate Governance;

WHEREAS, Planters' Representative Board Member Atty. Emilio Bernardino L. Yulo voted in the affirmative on the Motion to Approve the Re-enacted Budget for FY 2021 on the condition that the said approval shall be subject to strict compliance with the provisions of Republic Act No. 9184 and its Implementing Rules and Regulations, GPPB Resolutions, and the SRA's Manual of Corporate Governance;

WHEREAS, Planters' Representative Board Member Atty. Emilio Bernardino L. Yulo voted in the affirmative on the grant of authority to the Administrator to sign the 2021 COB, 2021 Indicative APP, 2020 Amended APP, and re-enacted 2021 COB subject to the strict compliance with the provisions of Republic Act No. 9184 and its Implementing Rules and Regulations, GPPB Resolutions, and the SRA's Manual of Corporate Governance;

WHEREAS, Planters' Representative Board Member Atty. Emilio Bernardino L. Yulo manifested that to ensure compliance copy of the Resolution relative to the approval of the re-enacted budget shall be furnished to the different offices of the SRA as well as the COA Resident Auditor;

WHEREAS, Millers' Representative Board Member Atty. Roland B. Beltran voted affirmative and manifested that he joined and adopted the manifestations made by Board Member Yulo as that of his own;

WHEREAS, Millers' Representative Board Member Atty. Roland B. Beltran reminded and warned the SRA Management to strictly comply with the provisions of R.A. No. 9184, and its Implementing Rules and Regulations, DBM-COA Joint Circular for 2020, and the SRA's Manual for Corporate Governance;

RESOLVED, THEREFORE to approve the proposed Corporate Operating Budget (COB) for FY 2021, Indicative Annual Procurement Plan (APP) for FY 2021, and the amended 2020 APP **exclusively** based on the representation made by the SRA Management subject to strict compliance with the provisions of Republic Act No. 9184 and its Implementing Rules and Regulations, GPBB Resolutions, DBM-COA Joint Circular for 2020, and the SRA's Manual for Corporate Governance;

RESOLVED, FURTHER to approve the Motion to Approve the Re-enacted Budget for FY 2021 subject to strict compliance with the Republic Act No. 9184 and its Implementing Rules and Regulations, DBM-COA Joint Circular for 2020, GPPB Resolutions and the SRA's Manual for Corporate Governance;



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RESOLVED, FURTHERMORE to approve the concomitant grant of authority to the Administrator to sign the 2021 COB, 2021 Indicative APP, 2020 Amended APP and re-enacted 2021 COB for or on behalf of SRA subject to strict compliance with the Republic Act No. 9184 and its Implementing Rules and Regulations, DBM-COA Joint Circular for 2020, GPPB Resolutions and the SRA's Manual for Corporate Governance;

RESOLVED, FINALLY that copy of this Resolution relative to the approval of the re-enacted budget shall be furnished to the different offices of the SRA as well as the COA Resident Auditor to ensure compliance.

APPROVED BY:

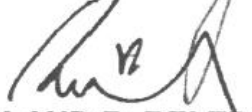


SECRETARY WILLIAM D. DAR, Ph.D.
Chairperson

DEPARTMENT OF AGRICULTURE
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ADMINISTRATOR HERMENEGILDO B. SERAFICA
Vice-Chairperson



ATTY. ROLAND B. BELTRAN
Board Member – Millers' Representative



ATTY. EMILIO BERNARDINO L. YULO
Board Member – Planters' Representative

Date Passed: 04 January 2020

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