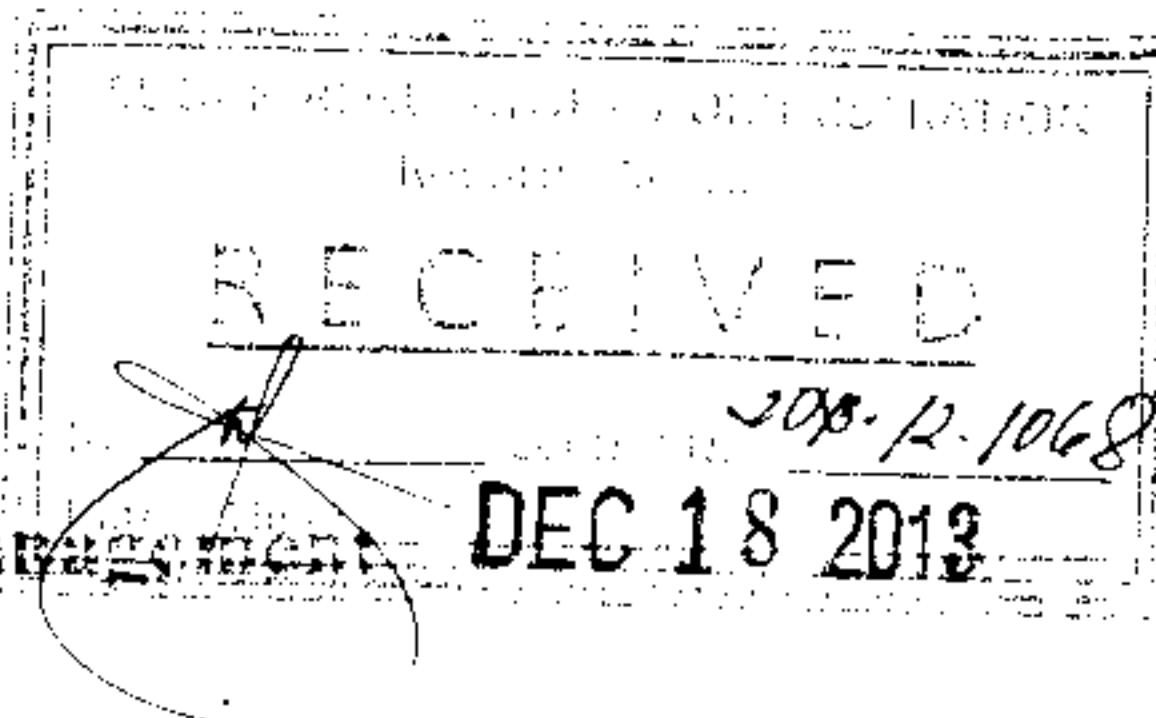




REPUBLIC OF THE PHILIPPINES

Department of Budget and Management  
Malacanan, Manila



**CORPORATE OPERATING BUDGET**  
Calendar Year 2013

**TO: SUGAR REGULATORY ADMINISTRATION (SRA)**

Your Corporate Operating Budget (COB) for Calendar Year 2013 per Board Resolution Nos. 2013-071 and 2013-163 dated April 25, 2013 and September 13, 2013, 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 amount not exceeding **FOUR HUNDRED SEVEN MILLION EIGHT HUNDRED TWO THOUSAND PESOS ONLY (P407,802,000)** details of which are shown below:

Particulars	Proposal (a)	Approved (b)	Variance (c=b-a)
<b>TOTAL SOURCES:</b>	P 468,000,000	P 468,000,000	P -
Corporate Funds	P 468,000,000	P 468,000,000	P -
<b>TOTAL USES:</b>	P 432,433,000	P 407,802,000	P (24,631,000)
Personal Services (PS)	P 241,399,000	P 237,327,000	P (4,072,000) a/
Maintenance and Other Operating Expenses (MOOE)	118,551,000	97,992,000	(20,559,000) b/
Capital Outlays (CO)	72,483,000	72,483,000	-
<b>Excess/Shortfall</b>	P 35,567,000	P 60,198,000	P 24,631,000

**Footnotes:**

a/ The variance of P4,072,000 refers to the following

1. Overprovision

Salaries	P 87,000	431 positions
Year-End Bonus	8,000	1 month salary
Per Diems. Board of Director	66,000	OP approval dated July 1, 2011 per Executive Order No. 24
Productivity Incentive Benefits	30,000	P2,000 x 416 filled positions
Social Amelioration Benefits	14,000	2 months basic salary
Food Subsidy	465,000	P1,000/mo. x 12 mos. x 416 filled positions
Life and Retirement Insurance Premium	15,000	12% of basic salary
Philhealth Contributions	259,000	Based on PHIC Circular No. 1, s. of 2005

2. Chargeable to Savings

Honoraria for BAC Personnel	400,000	Chargeable against specific collections, including proceeds from sale of bid documents
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3. No legal basis

Provident Fund	2,728,000
<b>P 4,072,000</b>	

b/ MOOE level computed considering actual expenses for the previous year and effects of inflation.

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

1. 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.
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 Republic Act (R.A.) No. 10352, the FY 2013 General Appropriations Act (ex. Representation and Transportation Allowances under Section 45, 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 23, General Provisions of R.A. No. 10352.
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 No. 2010-2 dated March 1, 2010, 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 strictly 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.
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*  
**LORENZO C. DRAPETE**  
Director, BMB-Fmy

Date: **DEC 11 2012**

**Approved:**

By Authority of the Secretary

*Luiz M. Cantor*  
**LUZ M. CANTOR**  
Assistant Secretary

COB No. F1-12-0048

cc: The Chairman  
Board of Directors, SRA

Assistant Commissioner Lourdes M. Castillo  
Commission on Audit (COA) - Central Office  
COA Building, Quezon City

The Resident Auditor  
COA - SRA

Department of Budget and Management  
BTS



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