



REPUBLIC OF THE PHILIPPINES  
**Department of Budget and Management**  
 Malacañang, Manila

**CORPORATE OPERATING BUDGET**  
 Calendar Year 2013

**TO: PHILIPPINE INTERNATIONAL TRADING CORPORATION (PITC)**

Your Corporate Operating Budget (COB) for Calendar Year 2013 per approved Board Secretary's Certificate dated May 21, 2013, 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 **TWO HUNDRED TWO MILLION THREE HUNDRED THIRTY NINE THOUSAND PESOS ONLY (P202,339,000)** details of which are shown below:

PARTICULARS	PROPOSAL (a)	APPROVED (b)	VARIANCE (c=b-a)
<b>TOTAL SOURCES:</b>	P 369,605,000	P 369,605,000	-
Corporate Funds	343,844,000	343,844,000	-
Other Income	25,761,000	25,761,000	-
<b>TOTAL USES:</b>	<u>369,338,000</u>	<u>202,339,000</u>	<u>(166,999,000)</u>
Personal Services (PS)	45,976,000	45,893,000	(83,000) a/
Maintenance and Other Operating Expenses (MOOE)	318,627,000	151,711,000	(166,916,000) b/
Capital Outlays (CO)	4,735,000	4,735,000 c/	-
<b>Excess/Shortfall</b>	<u>P 267,000</u>	<u>P 167,266,000</u>	<u>P 166,999,000</u>

**Footnotes:**

a/ The variance of P83,000 for PS is computed as follows:

1. Overprovision (based on 77 filled positions)			
Representation and Transportation Allowances	24,000		Based on GAA rates
Philhealth Contributions	59,000		Based on DBM Circular Letter No. 2012-12
Total	<u>83,000</u>		

b/ MOOE level computed considering actual/audited expenses for the previous years and the effects of inflation, resulting to the disallowance of P166,916,000.

c/ For the purchase of IT equipment and two (2) units of motor vehicles. The authority to purchase motor vehicles shall be acted upon separately, upon submission of the necessary supporting documents (i.e. specification/description of motor vehicles to be purchased, cost, deployment, justification and inventory of existing motor vehicles).

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

- 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.
- Disbursement 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 No. 10352, the FY 2013 General Appropriations Act (ex. Representation Allowances 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 may be.

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 4, 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 approval 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.

Recommending Approval:

*Lorenzo C. Drapete*  
**LORENZO C. DRAPETE**  
 Director, BMB-F

Date: **OCT 11 2013**

Approved:

By Authority of the Secretary:

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

**COB-F1-13-0020**

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

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

**The Resident Auditor**  
 COA- PITC

Department of Budget and Management  
 BTS



2013-S12096L