



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

CORPORATE OPERATING BUDGET

Fiscal Year 2024

TO: SMALL BUSINESS CORPORATION (SBC)

Your Corporate Operating Budget (COB) for FY 2024 per approved SBC Board Resolution No. 2024-03-3577 dated March 15, 2024, 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 **NINE BILLION NINE HUNDRED SIXTY-EIGHT MILLION THREE HUNDRED THIRTY-SIX THOUSAND PESOS ONLY (P9,968,336,000.00)**, details of which are shown below:

PARTICULARS	PROPOSAL (a)	APPROVED (b)	VARIANCE (c=b-a)
TOTAL SOURCES	P 10,625,511,000	P 10,625,511,000	P -
Corporate Funds	9,625,511,000	9,625,511,000	-
National Government (NG) Support	1,000,000,000	1,000,000,000	-
TOTAL USES	P 10,016,029,000	P 9,968,336,000	P (47,693,000)
Personnel Services (PS)	309,921,000	309,921,000 a/	-
Maintenance & Other Operating Expenses (MOOE)	439,877,000	392,294,000 b/	(47,583,000)
Capital Outlays (CO)	9,266,231,000	9,266,121,000 c/	(110,000)
Excess	P 609,482,000	P 657,175,000	P (47,693,000)

Footnotes:

- a/ The recommended PS level considered the adoption by the SBC of the Compensation and Position Classification System (CPCS) authority per Governance Commission for Government-Owned or-Controlled Corporations (GCG) approval dated February 9, 2022, 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 items.
- b/ The recommended MOOE level is computed considering the agency's absorptive capacity i.e., historical budget utilization rates (BURs) of at least three (3) immediately preceding years, wherein the highest BUR is applied to MOOE items, except those pertaining to the SBC's expenses for the implementation of Pondo sa Pagbabago at Pag-asenso (P3) Program, which are recommended as proposed. Meanwhile, the variance of P47,583,000.00 pertains to the effect of the preceding year's BUR.
- c/ The recommended 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 Corporation. The variance of P110,000.00 pertains to overprovision for the proposed acquisition of Multi-Purpose Vehicle.

The purchase of transportation equipment shall be consistent with the following guidelines:

1. Per Budget Circular (BC) 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 Vehicle (APMV) No. C-24-0034.
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.

Notwithstanding the above-mentioned variance in MOOE and CO, the SBC 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 / 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 Office of the President (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 dated October 1, 2021 for Government-Owned and-Controlled Corporations (GOCCs) covered by Republic Act (RA) No. 10149. Such expenditures shall also be subject to relevant conditions under the General Provisions (GPs) 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 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, the same shall be secured before acquisition thereof e.g., OP/ Department of Budget and Management/Supervising Department for the purchase of MV, if any, in accordance with the provisions of the BC No. 2022-01 dated February 11, 2022 [Omnibus Guidelines on the Acquisition, Use Rental, and Replacement of MVs], RA No. 9184 (Government Procurement Reform Act) and its Implementing Rules and Regulations, 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. Pursuant to AO No. 6 dated September 19, 2017, no irregular, unnecessary, extravagant, excessive and unconscionable expenses shall be incurred. Furthermore, existing law, rules and regulations mandating the judicious and prudent use of government funds shall be observed.
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 existing laws, rules and regulations.
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:

Approved

Digitally signed
for: by Lulu P. Vispo
ELENA REGINA S. BRILLANTES
Director IV, BMB-C

Original signed
AMENAH F. PANGANDAMAN
Secretary, DBM

cf: **The Chairman**
Board of Directors, SBC

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

The Resident Auditor
COA - SBC

COB No. C1-24-0037

Date: 23 APR 2024



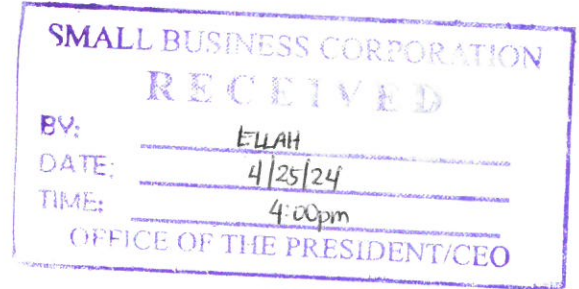
REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
GENERAL SOLANO STREET, SAN MIGUEL, MANILA

APMV No. C-24-0034

23 APR 2024

PRESIDENT/CEO ROBERT C. BASTILLO

Small Business Corporation (SBC)
139 Corporate Center, Valero St.,
Salcedo Village, Makati City



AUTHORITY TO PURCHASE MOTOR VEHICLE/S

Qty.	Type	Intended Use and/or User, and Specifications		Cost
1	Passenger Van	<p><u>Use and/or User:</u> For the transport of personnel, equipment, supplies, products and materials.</p> <p>For general urban use where road conditions are generally good.</p> <p><u>Specifications:</u> Engine displacement not exceeding 2500 cc for gasoline or 3000cc for diesel; or Alternative Fuel Vehicle (AFV)</p>	P	2,500,000.00
1	Sports Utility Vehicle	<p><u>Use and/or User:</u> For the transport of personnel, equipment, supplies, products and materials.</p> <p>For heavy field use in rural and remote areas with generally rugged road condition, mountainous and rugged terrain.</p> <p><u>Specifications:</u> Engine displacement not exceeding 2700 cc for gasoline or 3000cc for diesel; or AFV</p>		2,000,000.00

1	Multi-Purpose Vehicle	<p><u>Use and/or User:</u> For the exercise of executive functions.</p> <p>For a Department Undersecretary/SG-30 and other officials of equivalent rank in NGAs, SUCs, GOCCs, GFIs and LGUs.</p> <p><u>Specifications:</u> Engine displacement not exceeding 2000 cc for gasoline or 2800cc for diesel; or AFV</p>	1,890,000.00
10	Passenger Van	<p><u>Use and/or User:</u> For the transport of personnel, equipment, supplies, products and materials.</p> <p>For transport of personnel/visitors for activities related to education, tourism, trade and investment promotions, banking and finance, foreign affairs, and other official functions.</p> <p><u>Specifications:</u> Engine displacement not exceeding 2500 cc for gasoline or 3000 cc for diesel; or AFV</p>	16,000,000.00
10	Motorcycle	<p><u>Use and/or User:</u> For the transport of personnel, equipment, supplies, products and materials.</p> <p>For use of field personnel/workers who, by nature of their functions, have to travel to remote areas not normally accessible to ordinary transport vehicles.</p> <p><u>Specifications:</u> Engine displacement not exceeding 200 cc</p>	1,760,000.00
23	TOTAL		P 24,150,000.00
	TOTAL AMOUNT IN WORDS	: **TWENTY-FOUR MILLION ONE HUNDRED FIFTY THOUSAND PESOS ONLY**	
	FUNDING SOURCE	: FY 2024 Corporate Operating Budget	

CONDITIONS:

1. The motor vehicle/s shall be used only for official purposes, the intended use and/or by the intended user, for which the motor vehicle/s was requested as herein authorized. The acquisition/purchase of subject motor vehicle/s shall be in accordance with the provisions of the Omnibus Guidelines on the Acquisition, Use, Rental, and Replacement of Motor Vehicles. Further, the classification/s and specifications of subject motor vehicle/s shall be consistent with the provisions of Annex A of the guidelines.
2. Moreover, it is understood that the acquisition of said motor vehicle/s shall be in accordance with the Republic Act No. 9184 (Government Procurement Reform Act) and its Implementing Rules and Regulations, as well as subject to the usual budgeting, accounting, auditing, and other applicable laws, rules and regulations.

APPROVED:

AMENAH F. PANGANDAMAN
Secretary