



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

CORPORATE OPERATING BUDGET
 Calendar Year 2014

TO: EMPLOYEES' COMPENSATION COMMISSION and OCCUPATIONAL SAFETY AND HEALTH CENTER (ECC-OSHC)

Your Corporate Operating Budget (COB) for Calendar Year 2014 per ECC Board Resolution No. 13-11-44 and OSHC Board Resolution No. 2013-11-04 both dated November 29, 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. 282, series of 1987, is hereby approved for a total of **TWO HUNDRED SIXTY FIVE MILLION EIGHT HUNDRED SIXTY THREE THOUSAND PESOS ONLY, (P265,863,000)**, details of which are shown below:

PARTICULARS	PROPOSAL (a)	APPROVED (b)	VARIANCE (c=b-a)	REMARKS
TOTAL SOURCES:	P 287,050,000	P 287,050,000	P -	
Corporate Funds	287,050,000	287,050,000	a/ -	
Employees' Compensation Commission (ECC)	130,906,000	130,906,000	-	
State Insurance Fund (SIF)	101,894,000	101,894,000	-	
Income/Retained Earnings	29,212,000	29,212,000	-	
Occupational Safety and Health Center (OSHC)	156,144,000	156,144,000	-	
SIF	120,868,000	120,868,000	-	
Income/Retained Earnings	35,276,000	35,276,000	-	
TOTAL USES:	P 273,603,000	P 266,863,000	P (7,646,000)	
Personal Services (PS)	127,786,000	126,073,000	(1,722,000) b/	
ECC	60,028,000	59,806,000	(222,000)	
OSHC	67,677,000	66,267,000	(1,500,000)	
Maintenance & Other Operating Exp. (MOOE)	102,287,000	96,344,000	(5,923,000) c/	
ECC	41,668,000	40,017,000	(1,648,000)	
OSHC	60,601,000	56,327,000	(4,274,000)	
Capital Outlays (CO)	43,446,000	43,446,000	d/ -	
ECC	19,516,000	19,516,000	-	
OSHC	23,930,000	23,930,000	-	
Excess / (Shortfall)	P 13,442,000	P 21,187,000	P 7,645,000	

Footnotes:

a/ To be sourced from the 12% loading fund of SIF from SSS and GSIS and Internally generated funds.

b/ The variance of P1,722,000 refers to the following:

	ECC	OSHC	TOTAL	REMARKS
Contractuals/Casuals:				
PhilHealth Insurance Premiums		7,000	7,000	Excess in the computation
Permanent:				
Salaries	95,000	1,073,000	1,168,000	Excess in the computation
Year-end Bonus	8,000	89,000	97,000	Limited to one month salary per employee
RATA	106,000		106,000	Excess in the computation
Hazard Pay		140,000	140,000	Excess in the computation
Life and Retirement Insurance Premium	11,000	128,000	139,000	Pegged at 12% of total salaries
PhilHealth Insurance Premiums		63,000	63,000	Excess in the computation
TOTAL	P 222,000	P 1,500,000	P 1,722,000	

c/ MOOE level is computed considering actual/audited expenses for the previous years and the effects of inflation.

TO: EMPLOYEES' COMPENSATION COMMISSION and OCCUPATIONAL SAFETY AND HEALTH CENTER (ECC-OSHC)

d/ CO is intended for the following:

	<u>ECC</u>	<u>OSHC</u>	<u>TOTAL</u>
IT Equipment	P 7,532,000	P 4,800,000	P 12,332,000
Furnitures, Fixtures, Office & Training Equip.	6,484,000	19,130,000	25,614,000
Building Improvement	5,500,000		5,500,000
TOTAL	P 19,516,000	P 23,930,000	P 43,446,000

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

1. 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.
2. Disbursement for personnel allowances/benefits 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. 10833, the FY 2014 General Appropriations Act (ex. Representation and Transportation Allowance under Section 54, 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 41, General Provisions of R.A. No. 10833.
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 & 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 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. Compliance with all existing laws, rules and regulations shall be the responsibility of the implementing government corporation.

Recommending Approval:


LORENZO C. DRAPETE
 Director, BMB - F

Approved by:
 By authority of the Secretary:


LUZ N. CANTOR
 Undersecretary

Date: **AUG 06 2014**

Department of Budget and Management
 BTR

COB No. F4-14-0042



2014-S07034L

cc: The Chairman
 Board of Trustees, ECC/OSHC

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

The Resident Auditor
 COA - ECC/OSHC