



Republic of the Philippines  
**DEPARTMENT OF BUDGET AND MANAGEMENT**  
 Boncodin Hall, General Solano Street San Miguel Manila

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| <b>CORPORATE OPERATING BUDGET</b>   |                 |                 |                   |  |
|---|-----------------|-----------------|-------------------|--|
| Calendar Year 2016  |                 |                 |                   |  |
| <b>TO: EMPLOYEES' COMPENSATION COMMISSION and OCCUPATIONAL SAFETY AND HEALTH CENTER (ECC-OSHC)</b>  |                 |                 |                   |  |
| Your Corporate Operating Budget (COB) for Calendar Year 2016 per ECC Board Resolution No. 15-12-53 and OSHC Board Resolution No. 20-15-12-10 both dated December 14, 2015, and OSHC Supplemental Budget per OSHC Board Resolution No. 2016-02-05 dated February 28, 2016, 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 <b>THREE HUNDRED THIRTY-FOUR MILLION SEVEN HUNDRED NINETY FIVE THOUSAND PESOS ONLY (P334,795,000)</b> details of which are shown below: |                 |                 |                   |  |
| PARTICULARS   | PROPOSAL<br>(a) | APPROVED<br>(b) | VARIANCE<br>(a-b) | REMARKS  |
| <b>TOTAL SOURCES:</b>   | P 349,314,000   | P 349,314,000   | P -               |  |
| Corporate Funds   | 349,314,000     | 349,314,000     | a/                |  |
| Employees' Compensation Commission (ECC)  | 133,072,000     | 133,072,000     |                   |  |
| State Insurance Fund (SIF)  | 128,738,000     | 128,738,000     |                   |  |
| Income/Retained Earnings  | 24,334,000      | 24,334,000      |                   |  |
| Occupational Safety and Health Center (OSHC)  | 196,242,000     | 196,242,000     |                   |  |
| SIF   | 135,698,000     | 135,698,000     |                   |  |
| Income/Retained Earnings  | 60,546,000      | 60,546,000      |                   |  |
| <b>TOTAL USES:</b>  | P 341,586,000   | P 334,795,000   | P (6,791,000)     |  |
| Personnel Services (PS)   | 130,108,000     | 126,436,000     | (3,673,000) b/    |  |
| ECC   | 82,923,000      | 69,830,000      | (2,093,000)       |  |
| OSHC  | 67,185,000      | 66,605,000      | (580,000)         |  |
| Maintenance & Other Operating Exp. (MOOE)   | 133,818,000     | 130,700,000     | (3,118,000) c/    |  |
| ECC   | 68,807,000      | 68,810,000      | (300,000)         |  |
| OSHC  | 74,011,000      | 71,891,000      | (2,130,000)       |  |
| Capital Outlays (CO)  | 77,660,000      | 77,660,000      | d/                |  |
| ECC   | 22,814,000      | 22,814,000      |                   |  |
| OSHC  | 54,846,000      | 54,846,000      |                   |  |
| <b>Excess/Shortfall</b>   | P 7,728,000     | 14,519,000      | 6,791,000         |  |
| <b>Footnotes:</b>   |                 |                 |                   |  |
| a/ To be sourced from the loading fund of SIF from SSS and GSIS and internally generated funds. ✓   |                 |                 |                   |  |
| b/ The variance of P3,673,000 refers to the following:  |                 |                 |                   |  |
|   | ECC             | OSHC            | TOTAL             | REMARKS  |
| Contractual/Gasuelo<br>Productivity Enhancement Incentive (PEI)   | 511,000         |                 | 511,000           | Excess in the computation  |
| Permanent/Regular<br>Salaries and other benefits  | 300,000         | 680,000         | 1,180,000         | Salaries of 1 Engineer pos. not yet been approved by GCG and erroneous computation of ECC on the salaries of 2 positions; OSHC excess of 1 pos. in the number of filled pos. |
| Transportation Allowance (TA)   | 108,000         |                 | 108,000           | Executive Director with service car is not entitled to TA.   |
| PEI   | 1,733,000       |                 | 1,733,000         | Excess in the computation  |

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

|                        |                    |                  |   |
|------------------------|--------------------|------------------|---|
| Rice Allowance/Subsidy | 132,000            | 132,000          | Limited to incumbents as of June 30, 1989 |
| Hazard Pay             | 9,000              | 9,000            | Excess in the computation                 |
| <b>TOTAL</b>           | <b>P 2,995,000</b> | <b>P 690,000</b> | <b>P 3,673,000</b>                        |

- c/ MOOE level is computed based on the actual/audited expenses for the previous years and the effects of inflation.
- d/ CO is intended for the following:

|  | ECC                 | OSHC              | TOTAL             |
|--|---------------------|-------------------|-------------------|
| Transportation Equipment                       | 1,500,000           | 6,000,000         | 7,500,000         |
| Furnitures, Fixtures, Office & Training Equip. | 11,614,000          | 16,101,000        | 27,715,000        |
| Laboratory Equipment                           |                     | 700,000           | 700,000           |
| Building Improvement                           | 9,500,000           | 19,500,000        | 29,000,000        |
| IT equipment (ISSP)                            |                     | 12,545,000        | 12,545,000        |
| <b>TOTAL</b>                                   | <b>P 22,614,000</b> | <b>54,846,000</b> | <b>77,660,000</b> |

The authority to purchase motor vehicle shall be acted upon separately, once the necessary supporting documents are submitted, (i.e. specification/description of motor vehicles to be purchased, cost, deployment, justification and inventory of existing motor vehicles.

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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. Disbursements for personnel amelioration/benefit shall be subject to the pertinent compensation laws, rules and regulations, including E.O. Nos. 7 & 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. 10717, the FY 2016 General Appropriations Act (ex. Representation and Transportation Allowances under Section 50, General Provisions), or any specific law or approval of the President of the Philippines or Secretary of Budget and
3. Disbursements for extraordinary and miscellaneous expenses shall be subject to Section 47, General Provisions of R.A. No. 10717.
4. For equipment items per Annual Equipment Procurement Program that require specific clearance/approval from the Agencies concerned (ex. Medium-Term Information and Communication Technology Harmonization Initiative Secretariat 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 8, 1996 and National Budget Circular Nos. 440 and 448-A dated November 24, 1995 and January 30, 1996, respectively; Budget Circular No. 2010-2 dated March 1, 2010 and Administrative Order (A.O.) No. 233 dated August 1, 2008, Office of the President Memorandum Circular No. 0 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 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:

Approved:

*Lorenzo C. Drapete*  
**LORENZO C. DRAPETE**  
 Director, Budget and Management Bureau-C

*Benjamin E. Diokno*  
**BENJAMIN E. DIOKNO**  
 Secretary

**AUG 17 2016**

Date:

cc: The Chairman  
 Board of Trustees, ECC/OSHC

COB-C4-16-0017

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

The Resident Auditor  
 COA - ECC/OSHC

Department of Budget and Management  
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