



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

**CORPORATE OPERATING BUDGET**

Fiscal Year 2019

**TO: AL-AMANAH ISLAMIC INVESTMENT BANK OF THE PHILIPPINES (AAIIBP)**

Your Corporate Operating Budget (COB) for Fiscal Year (FY) 2019 per Board Resolution No. 089-2018 dated November 29, 2018, 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 not exceeding **ONE HUNDRED SIXTY-FIVE MILLION THREE HUNDRED SEVENTY-FIVE THOUSAND PESOS ONLY (P165,375,000.00)**, details of which are as follows:

PARTICULARS	PROPOSAL (a)	APPROVED (b)	VARIANCE (c=b-a)
<b>TOTAL SOURCES:</b>	<b>P 172,441,000</b>	<b>P 172,441,000</b>	<b>-</b>
Corporate Funds	67,780,000	67,780,000	-
Drawdown from Investment in Securities	104,661,000	104,661,000	-
<b>TOTAL USES:</b>	<b>P 172,441,000</b>	<b>P 165,375,000</b>	<b>P (7,066,000)</b>
Personal Services (PS)	76,772,000	75,513,000	(1,259,000) a/
Maintenance and Other Operating Expenses (MOOE)	66,529,000	61,202,000	b/ (5,327,000) c/
Capital Outlays (CO)	29,140,000	28,660,000	d/ (480,000) e/

**Footnotes:**

a/ The PS variance represents overprovision for the following items:

Particulars	Amount	Remarks
Mid-year Bonus	P 399,000	Equivalent to one month basic salary
Retirement and Life Insurance Premium	765,000	Computed based on the 12% of the annual basic salary
Employees' Compensation Insurance Premium	29,000	} Computed based on P100/month for the 92 positions
Paq-IBIG Contributions	29,000	
PhilHealth Contributions	37,000	Computed based on the rates per DBM Circular Letter No. 2019-8 dated July 3, 2019
<b>Total</b>	<b>P 1,259,000</b>	

b/ The MOOE level includes provision for non-cash items amounting to P10,461,000 composed of P1,987,000 depreciation cost, P11,700,000 probable loss provision, and P1,781,000 amortization for leasehold improvements.

c/ The MOOE level was computed considering audited/actual expenses for the previous years and the effects of inflation, details of variance are as follows:

Particulars	Amount
Communication Expenses	P 340,000
Travelling Expenses	457,000
Training and Seminar Expenses	715,000
Advertising and Publications	127,000
Repair and Maintenance of Government Facilities	2,049,000
Gasoline, Oil and Lubricants	180,000
Supplies and Materials	595,000
Water, Illumination and Power Service	141,000
Periodicals and Magazines	27,000
Miscellaneous - Others	696,000
<b>Total</b>	<b>P 5,327,000</b>

d/ Total capital outlays is composed of the following:

Particulars	Amount
Buildings and Structures Outlay	P 7,480,000
Machinery and Equipment Outlay	13,714,000
Furnitures and Fixtures Outlay	2,266,000
Transportation Equipment Outlay	5,200,000
<b>Total</b>	<b>P 28,660,000</b>

**Notwithstanding the above-indicated variances in PS and MOOE, the AAIIBP still has the flexibility to modify its utilization within the DBM-approved budget level for each allotment class for items funded out of corporate funds.**

e/ The variance in CO pertains to the price adjustment for the acquisition cost of four (4) units of motor vehicles which is computed at P1,300,000 per unit consistent with the existing DBM guidelines and the vehicle classification as provided under the DBM Budget Circular 2019-1 dated March 4, 2019 and Annex B of the DBM Budget Circular No. 2017-1 dated April 26, 2017. Attached as **Annex A** of this COB Approval is APMV No. C-19-0013, authorizing AAIIBP to procure the motor vehicles within the current year.