



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

CORPORATE OPERATING BUDGET

Fiscal Year 2020

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

Your Corporate Operating Budget (COB) for Fiscal Year (FY) 2020 per Board Resolution No. 087-2019 dated December 12, 2019, 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 FIFTY MILLION FOUR HUNDRED FORTY THOUSAND PESOS ONLY (P150,440,000.00)**, details of which are as follows:

PARTICULARS	PROPOSAL (a)	APPROVED (b)	VARIANCE (c=b-a)
TOTAL SOURCES:	P 163,270,000	P 163,270,000	-
Corporate Funds	53,410,000	53,410,000	-
Drawdown from Investment in Securities	109,860,000	109,860,000	-
TOTAL USES:	P 173,800,000	P 150,440,000	P (23,360,000)
Personal Services (PS)	78,610,000	78,610,000	-
Maintenance and Other Operating Expenses (MOOE)	70,780,000	67,148,000	a/ (3,632,000) b/
Capital Outlays (CO)	24,410,000	4,682,000	(19,728,000) c/
Excess/(Shortfall)	P (10,530,000)	P 12,830,000	P 23,360,000

Footnotes:

a/ The MOOE level includes provision for non-cash items amounting to P7,970,000 composed of P2,100,000 depreciation cost, P5,820,000 probable loss provision, and P50,000 amortization for leasehold improvements.

b/ 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 425,000
Travelling Expenses	457,000
Training and Seminar Expenses	764,000
Advertising and Publications	122,000
Gasoline, Oil and Lubricants	180,000
Supplies and Materials	171,000
Water, Illumination and Power Service	841,000
Periodicals and Magazines	27,000
Miscellaneous - Others	645,000
Total	P 3,632,000

c/ The variance in CO pertains to the activities that shall be reprogrammed in FY 2021.

Notwithstanding the above-indicated variances in MOOE and CO, 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.

The following conditions shall be observed and complied with:

- 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 National Government budgetary support either in the form of subsidy, equity or loans outlay.
- Any increase in the approved principal COB in the course of the budget year, as may be warranted by additional corporate receipts, shall require the submission of a supplemental COB to cover the additional expenditures.
- This approval shall not be construed as an authorization for specific expenditure items under PS which requires prior approval by the 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. 203 as amended by EO No. 36, for Government-Owned and -Controlled Corporations (GOCCs) covered by RA No. 10149. Such expenditures shall also be subject to relevant conditions under the General Provisions of the annual General Appropriations Act (GAA) or any specific law or approval of the President of the Philippines or Secretary of Budget and Management or the Governance Commission for GOCCs, as the case may be.
- Disbursements for Extraordinary and Miscellaneous Expenses and other MOOE expenditures shall be subject to the relevant provisions of the annual GAA.
- Equipment outlays included in the Annual Procurement Program that require specific clearance/approval from the agencies concerned (e.g., Department of Information and Communications Technology for procurement of information and communication technology equipment covered by the GOCC's Information System Strategic Plan.
- Electronic payment shall be observed in the disbursement of corporate and public funds. In case the same is impracticable, the GOCC shall be allowed to continue with the existing payment scheme.

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- 7. Notwithstanding the repeal of AO No. 103, existing laws, rules and regulations mandating the judicious and prudent use of government funds shall be observed. No irregular, unnecessary, extravagant, excessive and unconsonable expenses shall be incurred pursuant to AO No. 6 dated September 19, 2017.
- 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 law.
- 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:

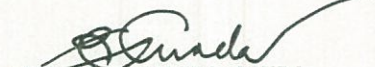
Approved:

By Authority of the Secretary:



CARMENCITA P. MAHINAY

Director, BMB-C



TINA ROSE MARIE L. CANDA

Undersecretary

Date: December 18, 2020

cc: The Chairman
Board of Directors, AAIIBP

The Assistant Commissioner, Corporate Sector
Commission on Audit (COA) - Central Office
COA Building, Quezon City

The Resident Auditor
COA, AAIIBP

COB-C4-20-0046

