



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
 GEN. SOLANO ST., SAN MIGUEL, MANILA

CORPORATE OPERATING BUDGET
 Calendar Year 2014

TO: SOCIAL HOUSING FINANCE CORPORATION (SHFC)

Your Corporate Operating Budget (COB) for Calendar Year 2014 per approved Board Resolution No. 363 dated December 19, 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. 292, series of 1987, is hereby approved for a total of **FIVE BILLION NINE HUNDRED SIX MILLION FIVE THOUSAND PESOS ONLY (P5,906,005,000)**, details of which are shown below:

| PARTICULARS | PROPOSAL (a) | APPROVED (b) | VARIANCE (c=b-a) |
|---|------------------------|------------------------|------------------------|
| TOTAL SOURCES: | P 6,067,816,000 | P 6,067,816,000 | P - |
| Corporate Funds | 1,402,816,000 | 1,402,816,000 | - |
| National Government (NG) Support | 4,665,000,000 | 4,665,000,000 | - |
| Community Mortgage Program (CMP) | 1,000,000,000 | 1,000,000,000 | a/ |
| High Density Housing Program (HDHP) | 3,665,000,000 | 3,665,000,000 | b/ |
| TOTAL USES: | P 6,067,816,000 | P 5,906,005,000 | P (161,811,000) |
| Personnel Services (PS) | 263,438,000 | c/ 187,785,000 | (75,653,000) d/ |
| Maintenance and Other Operating Expenses (MOOE) | 580,516,000 | 494,358,000 | (86,158,000) |
| Operating Expenses | 571,706,000 | e/ 494,358,000 | f/ (77,348,000) |
| Contingency Fund | 8,810,000 | - | (8,810,000) |
| Capital Outlays (CO) | 5,223,862,000 | 5,223,862,000 | g/ - |
| Excess/(Shortfall) | P - | P 161,811,000 | P 161,811,000 |

Footnotes:

a/ As appropriated in Republic Act (R.A.) No. 10633, FY 2014 General Appropriations Act (GAA) released through the National Home Mortgage Finance Corporation (NHMFC)

Appropriated in R.A. No. 10633, FY 2014 GAA as NG subsidy for Housing Program for Informal Settler Families (ISF) residing in danger areas in Metro Manila.

c/ Inclusive of Council/Board Member's Benefits (P5.524 Million); Grocery Subsidy/Gift Check (P17.78 Million); and CNA Incentives (P13.38 Million) realigned from MOOE.

d/ The variance of P75,653,000 pertains to the following:

| Particulars | Amounts in P '000 | Remarks |
|---------------------------------------|----------------------|---|
| A. Overprovision of: | | |
| 1. For DBM-approved positions: | | - 38 authorized permanent positions only |
| • Salaries | (92,683) | - Rates based on SSL-III 4th Tranche |
| • PERA | (5,652) | - Limited to P2,000/month/employee |
| • Uniform/Clothing Allowance | (1,105) | - Limited to P5,000/annum/employee |
| • Year-end Bonus | (7,340) | - Limited to one (1) month basic salary as of October 31 |
| • Cash Gift | (1,105) | - Limited to P5,000/annum/employee |
| • RATA | (9,414) | - Based on FY 2014 GAA rates |
| • Per Diem of Members of the Board | (3,988) | - Based on Executive Order No. 24, series of 2011 |
| • Productivity Incentive Benefit | (442) | - Limited to P2,000/annum/employee |
| • Performance Bonus | (3,273) | - Limited to P5,000/annum/employee (for Productivity Enhancement Incentive) plus P8.540 Million for the FY 2013 PBB per approval by the GCG dated July 21, 2014 |

TO: SOCIAL HOUSING FINANCE CORPORATION (SHFC)

| | | |
|--|-----------------|--|
| • Retirement Benefit | (572) | - Limited to actual disbursement as of September 2014 only |
| • Cashier's Allowance | (36) | - Limited to P200/month x 1 position only 1/ |
| • Provident Fund | (15,897) | - Limited to 15% of basic salary |
| • 13th Month Pay | (9,830) | - Limited to one (1) month basic salary plus allowances 1/ |
| • Economic Subsidy | (9,143) | - Limited to one (1) month basic salary plus allowances 1/ |
| • Children's Allowance | (353) | - Limited to P30/month/employee (maximum of 4 children) 1/ |
| • Meal Allowance | (1,625) | - Limited to P550/month/employee 1/ |
| • Rice Allowance | (5,983) | - Limited to P1,800/annum/employee 1/ |
| • Medicine Allowance | (1,547) | - Limited to P7,000/annum/employee 1/ |
| • HMO | (5,070) | - Limited to actual rate as of September 2014 |
| • Transportation Allowance (Rank and File) | 101 | - Limited to P300/month/employee 1/ |
| • Grocery Subsidy (Gift Check) | (15,880) | - Limited to P50,000/annum/employee (gift check) 1/ |
| • Birthday Gift Benefit | (663) | - Limited to P3,000/annum/employee 1/ |
| • SSS Contribution | (3,066) | - Rates pursuant to SSS Circular No. 2013-010, s. 2013 |
| • Employees Compensation Insurance Prem. | (89) | - Rates pursuant to SSS Circular No. 2013-010, s. 2013 |
| • Pag-I.B.I.G. Contribution | (375) | - Limited to P100/month/employee |
| • Philhealth Contribution | (1,068) | - Pursuant to PhilHealth Circular No. 0027, s. 2013 |
| | (196,098) | |
| 2. For permanent positions for approval of the GCG: | | |
| • Wages and Benefits | 137,568 | - 183 positions only |
| | | - Limited to rates authorized by the Corporation 1/ |
| B. Disallowance of: | | |
| • Overtime Pay | (3,743) | - Chargeable against savings |
| • CNA Incentive | (13,380) | - Chargeable against savings |
| | (17,123) | |
| Total | (75,653) | |

1/ Per approved Collective Bargaining Agreement dated December 24, 2008

e/ Inclusive of Depreciation Expense amounting to P42 Million but exclusive of Council/Board Member's Benefits (P5.524 Million); Grocery Subsidy/Gift Check (P17.78 Million); and CNA Incentives (P13.38 Million) realigned to PS.

f/ MOOE level is computed considering audited expenses for the previous years and the effects of inflation. The amount authorized for Extraordinary and Miscellaneous Expenses at P741,600 is based on the prescribed rates in the FY 2014 GAA.

CO is intended for the following:


| | | |
|--|----------|----------------------|
| Loans Outlay | P | 5,165,000,000 |
| Buildings and Structures Outlay | | 16,263,000 |
| Office Equipment, Furniture and Fixtures | | 38,999,000 |
| Transportation Equipment | | 3,600,000 |
| TOTAL | P | 5,223,862,000 |

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

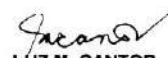
1. All expenditures, whether for current operating expenditures or COs, shall be made within the limits of available funds realized from corporate receipts, authorized corporate borrowings and National Government budgetary support either in the form of subsidy, equity or loans outlay.
2. Disbursements for personnel amelioration/benefit shall be subject to the pertinent compensation laws, rules and regulations, including E.O. Nos. 7 and 24 dated September 8, 2010 and February 10, 2011, respectively. Such expenditures shall also be conditioned on the relevant General Provisions of R.A. No. 10633, the FY 2014 GAA (ex. Representation and Transportation Allowances 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. 10633.
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 and 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 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:


LORENZO C. DRAPETE
Director, BMB-F

Approved:

By Authority of the Secretary:


LUZ M. CANTOR
Undersecretary

Date:

NOV 26 2014

COB-F2-14-0073

cc: The Chairman
Board of Directors, SHFC
Assistant Commissioner Lourdes M. Castillo
Commission on Audit (COA) - Central Office
COA Building, Quezon City
The Resident Auditor
COA - SHFC

Department of Budget and Management
BTS



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