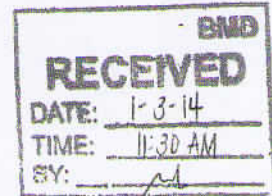




REPUBLIC OF THE PHILIPPINES

Department of Budget and Management
Malacañang, Manila



CORPORATE OPERATING BUDGET
Calendar Year 2013

QUEDAN AND RURAL CREDIT GUARANTEE CORPORATION (QUEDANCOR)

Your Corporate Operating Budget (COB) for Calendar Year 2013 per approved Board Resolution No. 534, dated March 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 amount not exceeding **SIX HUNDRED FORTY EIGHT MILLION FIVE HUNDRED FORTY SEVEN THOUSAND PESOS ONLY (P648,547,000)**, details of which are shown below:

PARTICULARS	PROPOSAL		APPROVED		VARIANCE (c=b-a)
	(a)	(b)	(a)	(b)	
TOTAL SOURCES:	P 1,040,965,000	P 1,040,965,000	P 1,040,965,000	P -	
Corporate Funds	1,040,965,000	1,040,965,000	1,040,965,000	-	
TOTAL USES:	P 1,040,965,000	P 648,547,000	P 648,547,000	P (392,418,000)	
Personal Services (PS)	459,650,000	93,985,000	93,985,000	(365,665,000) a/	
Maintenance & Other Operating Expenses (MOOE)	409,896,000	383,143,000	383,143,000	(26,753,000) b/	
Capital Outlay (CO)	171,419,000	171,419,000	171,419,000	-	
Excess / Shortfall	P -	P 392,418,000	P 392,418,000	P (392,418,000)	

Footnotes:

a/ The variance of P365,665,000 for PS represents overprovision for the following accounts:

For permanent positions:

Standard Allowances and Benefits
Year-end Bonus

1 Pegged at one month basic salary

Specific Purpose Allowances and Benefits
Representation and Transportation Allowance
Per Diems of Members of the Governing Board
Overtime Pay

402 Based on FY 2013 GAA Rates
1,152 Based on NBC No.2007-510
62 Chargeable to corporate savings per BC No. 10

Court Appearance Fee/Special Counsel Allowance

384 Chargeable to corporate savings subject to Sec. 42 of the FY 2013 GAA

Terminal Leave Benefit
Incentive under EO 366

110,000 No final court decision yet on its Rationalization Plan
200,000

Other Allowances/Benefits/Incentives

Longevity Pay
Loyalty Pay
Productivity Enhancement Incentive
Monetization of Leave Credits
Rice Subsidy (in kind)

109 No legal basis
140 Chargeable to corporate savings
955 Chargeable to corporate savings
1,233 Chargeable to corporate savings
735 No legal basis

Hospitalization
Incentive Reward

170 No legal basis
36 No legal basis

Fixed Expenditures

Philhealth, Contributions

96 Based on Philhealth Circular No.1,s.2005

For casual positions:

Lumpsum for Casuals (includes salaries, wages and other allowances/benefits)

50,190 No legal basis

Total (in thousand pesos)

P 365,665

- b/ The MOOE level is computed based on the actual/audited expenses of prior years, and the effects of inflation. The variance of P26,753,000 includes overprovision for Extraordinary and Miscellaneous Expenses amounting to P94,000, which is subject to the General Provision of FY 2013 General Appropriations Act.

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

1. 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.
2. Disbursement for personnel amelioration/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. 10352, the FY 2013 General Appropriations Act (ex. Representation and Transportation Allowances under Section 45, 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 23, General Provisions of R.A. No. 10352.
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 equipments 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 4, 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 G. DRAPETE
Director, BMB-F

Date: **OCT 11 2013**

Approved:

By Authority of the Secretary:


LUZ M. CANTOR
Assistant Secretary

COB No. F1-13-0033

cc: The Chairman
Board of Directors, QUEDANCOR

The Resident Auditor
COA - QUEDANCOR

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

Department of Budget and Management
BTS



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