



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

[Handwritten signature and date: APR 24 2024]

CORPORATE OPERATING BUDGET
 Fiscal Year 2024

TO: PHILIPPINE HEART CENTER (PHC)

Your Corporate Operating Budget (COB) for FY 2024 per approved PHC Board Resolution No. 2024-01-12-02 dated January 12, 2024, 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 of **SIX BILLION SEVENTY SEVEN MILLION TWENTY ONE THOUSAND PESOS ONLY (P6,077,021,000.00)**, details of which are shown below:

PARTICULARS	PROPOSAL	APPROVED	VARIANCE
	(a)	(b)	(c=b-a)
TOTAL SOURCES	P 6,117,549,000	P 6,117,549,000	P -
Corporate Funds	3,606,518,000	3,606,518,000	-
National Government (NG) Support	2,511,031,000	2,511,031,000	-
TOTAL USES	P 6,117,549,000	P 6,077,021,000	P (40,528,000)
Personnel Services (PS)	2,370,662,000	2,330,134,000 a/	(40,528,000)
Maintenance & Other Operating Expenses (MOOE)	2,952,388,000	2,952,388,000 b/	-
Capital Outlays (CO)	794,499,000	794,499,000 c/	-
Excess	P -	P 40,528,000	P (40,528,000)

Footnotes:

- a/ The recommended PS level will cover the basic salaries, benefits and allowances for the full year of the 2,460 positions only, computed based on the prescribed rates per Republic Act (RA) No. 11466, and on the specific General Provisions (GPs) of the FY 2024 General Appropriations Act (GAA), RA No. 11975. The variance of P40,528,000 corresponds to the overprovision for the proposed additional fifty-three (53) positions, which is subject to separate evaluation and approval.
- b/ The recommended MOOE level is derived by considering the Center's absorptive capacity for the three (3) immediately preceding years, in which, the highest budget utilization rate (BUR) is computed and applied to determine the MOOE level for the year. Notably, the PHC's FYs 2021 and 2023 BURs are at 100%.
- c/ The recommended CO level considers the implementation-readiness of the projects and activities under the respective CO items which are expected to be completed within the year as certified by the PHC.



Notwithstanding the aforementioned variance in PS, the PHC still has the flexibility to modify its utilization within the total DBM-approved budget level.

Further, the following conditions shall be observed and complied with:

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 NG budgetary support either in the form of subsidy, equity or loans outlay.
2. 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.
3. This approval shall not be construed as an authorization for specific expenditure items under PS which requires prior approval by the Office of the President (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. 150 dated October 1, 2021 for Government-Owned or-Controlled Corporations (GOCCs) covered by RA No. 10149. Such expenditures shall also be subject to relevant conditions under the GPs of the annual GAA or any specific law or approval of the President of the Philippines and/or Secretary of Budget and Management or the Governance Commission for GOCCs, as the case may be.

4. Disbursements for Extraordinary and Miscellaneous Expenses and other MOOE expenditures shall be subject to the relevant provisions of the annual GAA, among others.
5. For equipment outlays included in the Annual Procurement Program that require specific clearance/approval from the agencies concerned, the same shall be secured before acquisition thereof e.g., OP/ Department of Budget and Management/Supervising Department for the purchase of MV, if any, in accordance with the provisions of the Budget Circular No. 2022-01 dated February 11, 2022 [Omnibus Guidelines on the Acquisition, Use Rental, and Replacement of MVs], RA No. 9184 (Government Procurement Reform Act) and its Implementing Rules and Regulations, among others.
6. Electronic payment shall be observed in the disbursement of corporate and public funds. In case when the same is impracticable, the GOCC shall be allowed to continue with the existing payment scheme.
7. Pursuant to AO No. 6 dated September 19, 2017, no irregular, unnecessary, extravagant, excessive and unconscionable expenses shall be incurred. Furthermore, existing law, rules and regulations mandating the judicious and prudent use of government funds shall be observed.
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 existing laws, rules and regulations.
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:

for: 
 Digitally signed
 by Lulu P. Vispo
ELENA REGINA S. BRILLANTES
 Director IV, BMB-C


Approved


AMENAH F. PANGANDAMAN
 Secretary, DBM

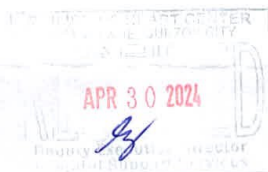
cf: **The Chairman**
 Board of Directors, PHC

COB No. C1-24-0040

Date: 25 APR 2024

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

The Resident Auditor
 COA - PHC



PHILIPPINE HEART CENTER
Corporate Operating Budget
FY 2024
(In Thousand Pesos)

INCOME/RECEIPTS

From Services to Patients (Gross)	<u>6,294,711</u>
Less: Charity Hospital Expenses	1,888,413
Charity Research Expenses	6,000
Patient's Discounts	944,207
Total Quantified Free Services (QFS)	<u>2,838,620</u>
Income from Services to Patients (Net of Charity)	<u>3,456,091</u>
Other Income/Receipts	
Rental	51,719
Interest	31,142
Cafeteria	30,456
Donations, Fines and Penalties, Fund Raising	37,110
	<u>150,427</u>
Contribution from the National Government	
Assistance to Indigent Patients	2,010,814
CAPEX 2024	400,000
CAPEX 2022	98,427
CAPEX 2021	1,790
	<u>2,511,031</u>
TOTAL INCOME/RECEIPTS	<u>6,117,549</u>

EXPENDITURES

Personal Services	
Salaries and Wages	1,174,814
Standard Allowances	286,270
Specific Purpose Allowances	352,175
Incentives and Benefits	293,863
Fixed Expenditures	176,190
Separation and Retirement Benefits	87,350
	<u>2,370,662</u>

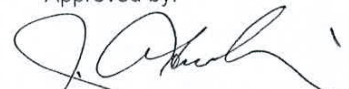
Maintenance and Other Operating Expenses	
Traveling	5,526
Communication Services	5,112
Repairs and Maintenance	114,815
Supplies and Materials	2,380,030
Rent	1,967
Grants, Subsidies and Contribution	6
Water, Illumination and Power Services	195,854
Auditing Services	6,643
Training and Seminar Expenses	5,024
Extraordinary and Miscellaneous Expenses	20
Taxes, duties and Licenses	7,995
Fidelity Bond, Insurance Premiums and Others	17,718
Other Services	
Ads and Publication	8
Representation Expense	634
Subscription	12,495
Legal/Consultancy Services	1,901
Janitorial Services	63,219
Security Services	43,123
Laundry Services	23,165
Collection Charges	8,406
Others	58,561
Total Maintenance and Other Operating Expenses	<u>2,952,222</u>
Financial Expenses	<u>166</u>
Capital Expenditures	
Corporate Funds	294,282
CAPEX 2024	400,000
CAPEX 2022	98,427
CAPEX 2021	1,790
Total Capital Expenditures	<u>794,499</u>
TOTAL EXPENDITURES	<u>6,117,549</u>

Prepared by:



ISAH O. MARTICIO
Acting Chief Administrative Officer, Budget Division

Approved by:



JOEL M. ABANILLA, M.D.
Executive Director IV

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