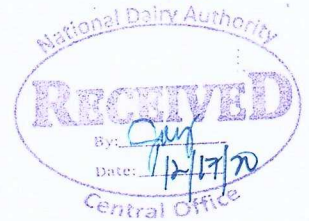




REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
GENERAL SOLANO STREET, SAN MIGUEL, MANILA

REC- 1423-DBM-COB-
2020



CORPORATE OPERATING BUDGET (COB)
Fiscal Year (FY) 2020

TO: NATIONAL DAIRY AUTHORITY (NDA)

Your COB for FY 2020 per approved Board Resolution No. 55, series of 2019 dated September 3, 2019 and letter dated November 18, 2020, submitting the adjusted COB for CY 2020, is hereby approved for a total of **ONE BILLION THREE HUNDRED FORTY-FIVE MILLION NINE HUNDRED FORTY-SIX THOUSAND PESOS ONLY (P1,345,946,000.00)**, details of which are shown below:

PARTICULARS	PROPOSAL (a)	APPROVED (b)	VARIANCE (c=b-a)
TOTAL SOURCES:	P 1,377,925,000	P 1,377,925,000	P -
Corporate Funds	385,379,000	385,379,000	-
Trust Fund	316,373,000	316,373,000	-
National Government Subsidy	676,173,000	676,173,000	-
TOTAL USES:	P 1,377,925,000	P 1,345,946,000	P (31,979,000)
Personnel Services (PS)	174,693,000	173,133,000	(1,560,000) a/
Maintenance and Other Operating Expenses (MOOE)	639,316,000	608,897,000	b/ (30,419,000) c/
Capital Outlays (CO)	563,916,000	563,916,000	d/ -
Excess/(Shortfall)	P -	P 31,979,000	P 31,979,000

Footnotes:

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

Particulars	Amount
Personnel Economic Relief Allowance	P 192,000
Uniform/Clothing Allowance	47,000
Mid-year Bonus	1,221,000
Cash Gift	40,000
Performance Enhancement Incentive	40,000
Employees Compensation Insurance Premium	10,000
Pag-IBIG	10,000
TOTAL	1,560,000

Represents excess provision for unfilled positions in 2020

b/ Recommended MOOE level is based on the highest actual/audited plus 3% inflation rate and actual expenses as of September 30, 2020 and the NDA's projection for October to December 2020.

c/ The MOOE variance of P30,436,000.00 refers to the overprovision for the following:

Particulars	Amount
Travelling Expenses	P 21,337,000
Training and Scholarship Expenses	1,455,000
Communication Expense	1,284,000
Printing and Publication Expenses	774,000
Representation Expenses	4,280,000
Subscription Expenses	6,000
Repair and Maintenance - Office Buildings	338,000
Repair and Maintenance - Furnitures & Fixtures	5,000
Repair and Maintenance - IT Equipment & Software	70,000
Repair and Maintenance - Laboratory Equipment	2,000
Repair and Maintenance - Motor Vehicles	471,000
Repair and Maintenance - Other Property, Plant & Equipment	397,000
TOTAL	30,419,000

Excess computation considering authorized rates per GAA, audited/actual expenses, and inflation.

d/ Total CO is composed of the following:

Biological Assets Outlay	P 453,373,000
Buildings and Structures Outlay	1,687,000
Furniture, Fixtures and Books Outlay	667,000
Machineries and Equipment	53,036,000
Transportation Equipment Outlay *	42,708,000
Other Property, Plant and Equipment Outlay	12,445,000
TOTAL	P 563,916,000

*The proposed acquisition of motor vehicle shall be approved by the Department of Budget and Management through an Authority to Purchase Motor Vehicle per APMV No. C-20-0053 which shall be issued separately