



REPUBLIC OF THE PHILIPPINES  
**Department of Budget and Management**  
 Malacañang, Manila

**CORPORATE OPERATING BUDGET**  
**Fiscal Year 2013**

**TO: NATIONAL KIDNEY & TRANSPLANT INSTITUTE (NKTi)**

Your Corporate Operating Budget (COB) for Calendar Year 2013 per Board of Trustees Resolution dated July 31, 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 of **TWO BILLION NINE HUNDRED TWENTY FOUR MILLION THREE HUNDRED FOURTEEN THOUSAND PESOS ONLY (P2,924,314,000)**, details of which are as follows:

PARTICULARS	PROPOSAL (a)	APPROVED (b)	VARIANCE (c=b-a)
<b>TOTAL SOURCES:</b>	<b>P 3,835,472,000</b>	<b>P 3,127,336,000</b>	<b>P (708,136,000)</b>
Corporate Funds	2,654,191,000	1,946,055,000 a/	(708,136,000)
General Fund/NG Support	1,181,281,000	1,181,281,000 b/	-
<b>TOTAL USES</b>	<b>2,972,832,000</b>	<b>2,924,314,000</b>	<b>(48,518,000)</b>
Personal Services (PS)	502,650,000	469,582,000	(33,068,000) c/
Maintenance & Other Operating Expenses (MOOE)	1,304,500,000	1,289,050,000	(15,450,000) d/
Capital Outlays (CO)	187,266,000	187,266,000 e/	-
Payment of Lot	978,416,000	978,416,000 f/	-
<b>Excess / Shortfall</b>	<b>P 862,640,000</b>	<b>P 203,022,000</b>	<b>P (659,618,000)</b>

**Footnote:**

a/ Net of quantified free services

b/ NG subsidy for the following:

Operating requirements	P 202,865,000
Payment of lot	978,416,000
<b>Total</b>	<b>1,181,281,000</b>

c/ Variance due to the following:

a. Hazard pay	11,974,000	25% of basic salary for SG-19 and below and 5% of basic salary for SG-20 and above pursuant to J.C. No. 1 s. 2012 Entitlement shall be either step increment or longevity pay whichever is more advantageous to the employee Limited to 12% of total salary
b. Longevity pay	20,121,000	
c. Life & Retirement Insurance Premiums	973,000	
<b>TOTAL</b>	<b>P 33,068,000</b>	

d/ MOOE level is computed considering actual/audited expenses for the previous years and the effects of inflation.

e/ The provision for CO is intended for the following:

Rehabilitation and infrastructure projects	P 100,000,000
Purchase of various medical and non-medical equipment	86,666,000
Motor Vehicles	600,000
<b>Total</b>	<b>P 187,266,000</b>

Purchase of motor vehicle shall be covered by a separate authority by the Department/Office concerned as endorsed by DBM and shall be acted upon separately.

f/ Refers to the unutilized portion of NKTi lot owned by NHA computed at 24,460.40 sq. m. @ P40,000/sq. m.

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

- All expenditures, whether for current operating expenditures or CO, 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.
- Disbursements for personnel allowances/benefits shall be subject to the pertinent compensation laws, rules and regulations which 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. 10352, the FY 2013 GAA (ex. Representation and Transportation Allowance under Section 45 of the General Provisions), or specific law or approval of the President of the Philippines or Secretary of Budget and Management, as the case may be.

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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 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 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 approval does not authorize any item of expenditures that is prohibited by or inconsistent with the provisions of law.
7. The pertinent laws, rules and regulations including those on compensation, procurement, budget, 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*  
**LORENZO C. DRAPETE**  
 Director

Approved:

By Authority of the secretary:  
*Luiz M. Cantor*  
**LUZ M. CANTOR**  
 Assistant Secretary

Date: September 20, 2013

COB No. F4-13-0005

cc: The Chairman  
 Board of Trustees, NKTI

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

The Resident Auditor  
 COA - NKTI

Department of Budget and Management



2013-S11460L

DR. DATOR *nucl 10/2/13*

DR. ANTONIO *Lily 10/2*

MS. UY-ESTRELLA *sp 10/2/13*

MS. ELIAS *V-Elas 10/2/13*

