

**TITLE: CORPORATE OPERATING BUDGET AND WORK PROGRAM FOR FY 2014**

**1.0 OBJECTIVE:**

To seek Board approval of CITEM's Corporate Operating Budget and Work Program for FY 2014.

**2.0 FACTS:**

- 2.1 Initially, CITEM submitted to the DBM a Proposed Operating Budget for FY 2014 in the amount of P311.708M and requested a government subsidy of P230.728 M.
- 2.2 On 21 June 2013, CITEM was advised that the DBM recommended a subsidy level of P186.443M, or P 1.675 M less than total subsidy given in FY 2013 of P 188.118M.
- 2.3 Based on the Proposed Work Program, hereunder is the Revised Corporate Operating Budget for FY 2014:

<u>2013 Revised Corporate Operating Budget</u>	<u>F Y 2 0 1 4</u>		<u>% Increase (Decrease) over 2013</u>
	<u>Original Proposal</u>	<u>Based on DBM approved Subsidy Level</u>	

(In Million Pesos)

**I. Funding Sources**

NG Subsidy	P	188.118	230.728	186.443	(1%)
Corporate Income		63.429	80.980	66.561	5%
Prior Year Savings		<u>32.728</u>	-	<u>4.800</u>	(85%)
<b>Total Sources</b>	<b>P</b>	<b><u>284.275</u></b>	<b><u>311.708</u></b>	<b><u>257.804</u></b>	<b>(9%)</b>

**II. Budgetary Requirements**

Personal Services	P	60.105	60.105	60.561	1%
MOOE		204.170	246.603	186.443	(9%)
Capital Outlay		<u>20.000</u>	<u>5.000</u>	<u>10.800</u>	(46%)
<b>Total Budget</b>	<b>P</b>	<b><u>284.275</u></b>	<b><u>311.708</u></b>	<b><u>257.804</u></b>	<b>(9%)</b>

2.4 Budget for Personal Services in 2014 covers 115 plantilla positions.

2.5 Maintenance and Other Operating Expenses (MOOE) consist of direct costs of export promotion activities as well as support services and administrative overhead.

<u>Description</u>	<u>Budget</u> <u>(in Million Pesos)</u>
I. Signature Events	P 71.000
II. Overseas Trade Fairs	84.000
III. Institutional Promotions	7.000
IV. International Commitment	3.000
V. Support to Operations	7.318
VI. General & Administrative Services	<u>14.125</u>
<b>TOTAL</b>	<b><u>P 186.443</u></b>

2.6 Provision of P10.8 million for capital outlay is allotted for the purchase of various office and IT equipment and renovation of CITEM premises. Breakdown is as follows:

	<u>Budget</u> <u>(in Million Pesos)</u>
IT Equipment Upgrading	P 6.000
Hall One Improvements	1.000
Procurement of AV Equipment	0.800
Continuing Office Renovations	0.500
Construction of Covered Garage	<u>2.500</u>
<b>Total</b>	<b><u>P 10.800</u></b>

### **3.0 RECOMMENDATION:**

For the Board to approve the Proposed Corporate Budget<sup>3</sup> for FY 2014 in the amount of **P 257.804M** based on DBM subsidy of **P186.443M**.

## ANNEX I: Corporate Operating Budget for FY 2013 & FY 2014

### A. FY 2013

<u>C.O.B</u>	<u>P.S.</u>	<u>MOOE</u>	<u>CAPEX</u>	<u>Total</u>
NG Subsidy-GAA		96.810	-	96.810
-Supplemental		91.308	-	91.308
Corporate Income	60.105	3.324	-	63.429
Cash Drawdown		<u>12.728</u>	<u>20.000</u>	<u>32.728</u>
<b>Total</b>	<b><u>60.105</u></b>	<b><u>204.170</u></b>	<b><u>20.000</u></b>	<b><u>284.275</u></b>

### B. FY 2014

<u>C.O.B</u>	<u>P.S.</u>	<u>MOOE</u>	<u>CAPEX</u>	<u>Total</u>
NG Subsidy-GAA		186.443	-	186.443
Corporate Income	60.561		6.000	66.561
Cash Drawdown			<u>4.800</u>	<u>4.800</u>
<b>Total</b>	<b><u>60.561</u></b>	<b><u>186.443</u></b>	<b><u>10.800</u></b>	<b><u>257.804</u></b>

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