

**SECRETARY'S CERTIFICATE**

KNOW ALL MEN BY THESE PRESENTS:

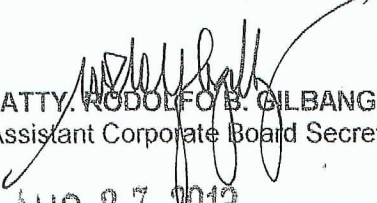
I, **ATTY. RODOLFO B. GILBANG**, Filipino, of legal age, and with office address at the DTI-OLA, 351 Sen. Gil J. Puyat Avenue, Makati City, Philippines, do hereby certify that:

1. I am the Assistant Corporate Board Secretary of the Center For International Trade Expositions and Missions (CITEM), a national government instrumentality attached to the Department of Trade & Industry, with postal address at Golden Shell Pavilion, Sen. Gil J. Puyat Avenue cor. Roxas Boulevard, Pasay City, Philippines;
2. The CITEM Board of Governors, through a referendum on 05 August 2013, unanimously passed the following resolution:

"RESOLVED, that the PROPOSED Work Program and Corporate Operating Budget for FY 2014 in the amount of PHP 257.804M based on DBM subsidy of PHP 186.443M and cash drawdown of PHP4.8M from 2012 retained earnings, being in order is hereby APPROVED AND CONFIRMED".

(Res. No. REF 2013-08-08)

IN WITNESS WHEREOF, I have affixed my signature on this AUG 22 2013 day of August 2013, hereat Pasay City.

  
**ATTY. RODOLFO B. GILBANG**  
Assistant Corporate Board Secretary

SUBSCRIBED AND SWORN to before me this AUG 27 2013 day of August 2013 at Pasay City, Philippines, affiant exhibiting to me his competent evidence of identity DTI ID# 00922

NOTARY PUBLIC

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**Yolanda Y. Villanueva**  
Notary Public  
Until December 31, 2013  
PTR No. Mkt 2739471; Feb. 22, 2011; Makati  
Roll No. 55493  
IBP Lifetime No. 09175  
MCLE No. III-0003210

**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%)
Total Sources	P	<u>284.275</u>	<u>311.708</u>	<u>257.804</u>	<u>(9%)</u>

**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%)
Total Budget	P	<u>284.275</u>	<u>311.708</u>	<u>257.804</u>	<u>(9%)</u>



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 (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 (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>2</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>

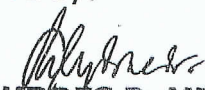
## B. FY 2014

<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>

Prepared by:

  
**AURELIA O. CRUZ**  
OIC, Corporate Services

Reviewed by:

  
**MA. LOURDES D. MEDIRAN**  
Deputy Executive Director


Recommending Approval:

  
**ROSARIO VIRGINIA C. GAETOS**  
Executive Director


APPROVED BY:

**SECRETARY GREGORY L. DOMINGO**  
Chairman

**UNDERSECRETARY PONCIANO C. MANALO JR.**  
Alternate Chairman

  
**MARGIE A. JORILLO**  
Member, Government Services  
Insurance System

  
**MA. MERCEDES G. YACAPIN**  
Member, National Food Authority

  
**LEILA C. MARTIN**  
Member, Land Bank of the  
Philippines

  
**WILHELMINA C. MANALAC**  
Member, Bangko Sentral ng  
Pilipinas

  
**ROSARIO VIRGINIA C. GAETOS**  
Appointive Member



## SECRETARY'S CERTIFICATE

KNOW ALL MEN BY THESE PRESENTS:

I, **ATTY. ANNA GRACE I. MARPURI**, Filipino, of legal age, and with office address at the Center for International Trade Expositions and Missions, Sen. Gil J. Puyat cor. Roxas Boulevard, Pasay City, Philippines, do hereby certify that:

1. I am the Corporate Board Secretary of the Center For International Trade Expositions and Missions (CITEM), a national government instrumentality attached to the Department of Trade & Industry, with office address at Golden Shell Pavilion, Sen. Gil J. Puyat Avenue cor. Roxas Boulevard, Pasay City, Philippines;
2. The CITEM Board of Governors, through a referendum on 26 March 2014, unanimously passed the following resolution:

"RESOLVED, that the increase in the 2014 Corporate Operating Budget from PHP 257.804M to PHP 296.031M; and an increase in cash drawdown from PHP 4.8M to PHP 65.891M, being in order, is hereby **APPROVED AND CONFIRMED**".

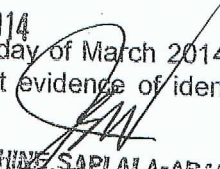
"RESOLVED, FURTHER, that the CITEM Revised 2014 Work Program and Supplemental Budget of PHP 38.227M, being in order, is hereby **APPROVED AND CONFIRMED**".

(Res. No. REF 2014-03-01)

IN WITNESS WHEREOF, I have affixed my signature on this MAR 27 2014 day of March 2014, hereat Pasay City.

  
**ATTY. ANNA GRACE I. MARPURI**  
Corporate Board Secretary

SUBSCRIBED AND SWORN to before me this MAR 27 2014 day of March 2014 at Pasay City, Philippines, affiant exhibiting to me his competent evidence of identity IBP Roll No. 48441, valid until date.

  
**ATTY. JOSEPHINE SAPLA-ABRADE**  
NOTARY PUBLIC  
PTR NO. 2014-10-14-1-2014 PASAY CITY  
IBP NO. 50827-1-2014 PASAY CITY  
COMMISSION 10-14-1-2014 PASAY CITY  
ROLL NO. 50806

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## **TITLE : REVISED WORK PROGRAM AND BUDGET FOR 2014**

### **1.0 Objectives:**

To seek Board approval on the following:

#### **1.1. Revised Work Program 2014**

#### **1.2 Supplemental Budget of P38.227 million for 2014**

### **2.0 Facts:**

2.1. For 2014, CITEM requested a subsidy of P230.728 million of which the DBM granted only P186.443 million (or P1.675million less than the P188.118 million granted in 2013. Breakdown of subsidy as advised by DBM:

Operations	P165.318 million
Support to Operations	7.000
General Administrative Support	<u>14.125</u>
Total	<u>P186.443 million</u>

2.2 CITEM revised its Work Program accordingly and adjusted its Corporate Operating Budget (COB) to P257.804 million as follows:

<u>Sources</u>	<u>In Million Pesos</u>	<u>Uses</u>	<u>In Million Pesos</u>
DBM Subsidy	P186.443	Personal Services	P60.492
Target Revenue	66.561	MOOE	186.512
Cash Drawdown	<u>4.800</u>	Capex	<u>10.800</u>
Total Sources	<u>P257.804</u>	Total Uses	<u>P257.804</u>

2.3 The Board approved the P257.804 million COB in a referendum dated 05 August 2013.

2.4 The DBM advised CITEM of an additional P4.000 million subsidy requested by Senator Loren Legarda for the continuation of the "Hibla Project" in Manila FAME, increasing subsidy from P186.443 million to P190.443 million.

2.5. Due to the clamor of the private sector for increased assistance in their export promotion activities, CITEM granted higher level of discounts as well as increased budget for product design development.

2.6. The above-action resulted to lower projected revenues in 2014, from P66.561 million to P39.697million, necessitating CITEM to use portion of its Retained Earnings to cover the shortfall in revenue.



2.7. The Capital Outlay of CITEM approved by the Board in 2013 in the amount of P20.000 million was not fully utilized. CITEM is therefore requesting the Board to allow usage of P15.775 million as additional Capital Outlay in 2014.

2.8. To be able to implement the Revised Work Program for 2014, there is a need for a supplemental budget in the amount of P38.227 million, increasing COB to P296.031 million. Breakdown of the supplemental budget:

a. Increase in MOOE	P22.452million
- Hibla Project in Manila FAME	P4.000 million
-Supplemental for General Administrative Support	18.452
b. Additional Capital Outlay Budget	<u>15.775</u>
Total	<u>P38.227 million</u>

Supplemental budget of P18.452 million for General Administrative Support (GAS) is requested to augment the DBM subsidy of only P14.125million. Total budget requirement for GAS should be P32.577 million.

2.9 Revised COB to reflect CITEM's Revised Work Program:

<u>Sources</u>	<u>In Million</u>	<u>Uses</u>	<u>In Million</u>
DBM Subsidy	P190.443	Personal Services	P60.492
Target Revenue	39.697	MOOE	208.964
Cash Drawdown	<u>65.891*</u>	Capex	<u>26.575</u>
Revised COB	<u>P296.031</u>	Revised COB	<u>P296.031</u>

2.10 Supplemental Budget would result to increase in Cash Drawdown from Retained Earnings by P61.091 million (from P4.800 million to P65.891 million). Breakdown of increase in Cash Drawdown:

a. Capital Outlay	P15.775 million	10.8
b. MOOE (GAS)	18.452	4.8 =
c. Reduction in Projected Revenue	<u>26.864</u>	6.0
Total	<u>P61.091 million</u>	

Retained Earnings balance as of 31 December 2013 is P80.2 million.

### 3. Recommendation:

For the Board to approve 2014 Revised Work Program and Supplemental Budget of P38.227 million; thus, increasing the COB from P257.804 million to P296.031 million; and an increase in cash drawdown from P4.8 million to P65.891 million.



Prepared by:

*aoa*  
**AURELIA O. CRUZ**  
OIC, Corporate Services

Reviewed by:

*MA. Lourdes D. Mediran*  
**MA. LOURDES D. MEDIRAN**  
Deputy Executive Director

Recommending Approval:

*Rosario Virginia C. Gaetos*  
**ROSARIO VIRGINIA C. GAETOS**  
Executive Director

APPROVED BY:

**SECRETARY GREGORY L. DOMINGO**  
Chairman

*Gregory L. Domingo*  
**UNDERSECRETARY PONCIANO C. MANALO JR.**  
Alternate Chairman

**MARGIE A. JORILLO**  
Member, Government Services  
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*MA. Mercedes G. Yacapin*  
**MA. MERCEDES G. YACAPIN**  
Member, National Food Authority

*Leila C. Martin*  
**LEILA C. MARTIN**  
Member, Land Bank of the  
Philippines

*Wilhelmina C. Manalac*  
**WILHELMINA C. MANALAC**  
Member, Bangko Sentral ng  
Pilipinas

*Rosario Virginia C. Gaetos*  
**ROSARIO VIRGINIA C. GAETOS**  
Appointive Member