

REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF BUDGET AND MANAGEMENT  
BONCODIN HALL, GEN. SOLANO ST. SAN MIGUEL, MANILA

FEB 23 2017

Ms. Bingle B. Gutierrez  
Executive Director  
Procurement Service  
RR Road, Cristobal Street  
Paco, Manila

Dear Executive Director Gutierrez:

This pertains to the submitted FY 2017 operating budget of PS – PhilGEPS in the total amount of P494.55 Million, broken down as follows:

*min*  
DEC 28 FEB 17 10:05 AM

Particulars	Amount (In Million Pesos)
Personnel Services	P 219.910
MOOE	197.300
Capital Outlays	77.340
<b>TOTAL</b>	<b>P 494.550</b>

Please be informed that Section 9 of the General Provisions of the FY 2017 General Appropriations Act, RA No. 10924 provides that receipts derived from other business – type activities of agencies, including sale of products, which are authorized by law to be utilized for the operational expenses of the said business – type activity, subject to any conditions prescribe under the special provision of the agency concerned, may be constituted into a revolving fund and made available for the purpose stated.

Further, revolving funds shall be recorded separately and deposited in an authorized government depository bank, and considered self – perpetuating and self – liquidating. All eligible obligations or expenditures incurred for the operations of the said business – type activities shall be charged against the revolving fund. In no case shall said fund be used for the payment of discretionary and representation expenses.

In view thereof, considering that the projected income of PS – PhilGEPS, as a self-sustaining agency, can accommodate its proposed operating budget for FY 2017, we interpose no objection to the same pursuant to Section 9 of the General Provisions of the FY 2017 GAA.

Very truly yours,

*B. E. Diokno*  
BENJAMIN E. DIOKNO  
Secretary



PROCUREMENT SERVICE  
Department of Budget and Management  
**PROPOSED FY 2017 EXPENDITURES (By OBJECT OF EXPENDITURE)**

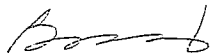
OBJECT	CODE	EXPENDITURE		BUDGET	
		ACTUAL 2015	ACTUAL 2016	CURRENT 2016	PROPOSED 2017
<b>PERSONAL SERVICES</b>					
Salaries & Wages - Contractual	50101020	47,301,056	62,897,556	88,174,728	133,790,760
Personal Economic Relief Allow.	50102010	4,099,175	5,210,227	6,096,000	8,856,000
Representation Allowance	50102020	945,500	1,443,644	1,704,000	1,704,000
Transportation Allowance	50102030	702,500	1,026,667	1,704,000	1,452,000
Clothing Allowance	50102040	850,000	1,118,235	1,270,000	1,845,000
Productivity Incentive Allowance	50102080	329,000			
Cash Gift	50102140	847,500	1,270,000	1,270,000	1,845,000
Mid Year & Year End Bonus	50102150	3,925,161	13,298,436	14,157,249	22,298,460
Life & Retirement Insurance Cont.	50103010	5,686,968	8,768,623	10,580,967	16,054,891
Pag-Ibig Contribution	50103020	204,600	224,000	304,800	442,800
PhilHealth Contribution	50103030	531,250	734,227	954,150	1,403,700
ECC Contribution	50103040	204,600	249,783	304,800	442,800
Longevity Pay	50102120	80,000	30,000		335,000
Terminal Leave Benefit	50104030	166,170	2,532,975	1,000,000	4,390,126
Retirement Gratuity	50104020	-	2,921,195.50	2,609,569	12,061,143
Overtime and Night Pay	50102130	1,403,817	1,191,100.81		
Other Personnel Benefits	50104990	6,517,056	12,512,488.57	16,573,877	12,994,230
<b>Sub Total</b>		<b>73,794,351</b>	<b>115,429,159</b>	<b>146,704,140</b>	<b>219,915,910</b>
<b>MAINTENANCE &amp; OTHER OPERATION EXPENSES</b>					
Other General Services - Job Order	50211990	31,468,716	17,552,897	17,515,310	20,667,591
Janitorial Services	50212020		84,382.32	110,328	110,328
Security Services	50212030	2,492,779	2,428,813	4,000,000	8,763,825
Legal Services(OSG)	50211010	709,582	626,011	710,000	882,150
Consultancy Services	50211030	1,736,567	1,123,858	1,500,000	17,000,000
Other Professional Services	50211990	6,972,241	5,642,984	146,000	104,000
Extraordinary & Miscellaneous Expenses	50210030	249,600	519,867	249,600	782,400
Traveling Expense - Local	50201010	2,038,449	1,661,398	2,900,000	5,000,000
Traveling Expense - Foreign	50201020	1,856,500	352,374	2,000,000	
Training Expense	50202010	3,673,190	4,640,090	7,000,000	10,000,000
Office Supplies Expense	50203010	4,975,344	4,091,263	5,000,000	5,000,000
Accountable Forms	50203020		233,333		677,000
Non Accountable Forms	50203030	32,500	48,137		97,200
Semi-Expendable Machinery and Equipment Expense	50203210		18,601		4,128,487
Fuel, Oil and Lubricants Expenses	50203090	1,486,099	1,092,759	1,500,000	3,000,000
Electricity Expense	50204020	6,870,397	5,811,953	6,500,000	8,929,300
Water Expense	50204010	1,162,190	1,364,769	1,200,000	1,489,320
Subscription Expense	50299070	42,822	48,445	35,000	100,000
Telephone Expense	50205020	2,618,734	2,114,736	2,500,000	1,980,686
Internet Expense	50205030	2,267,324	4,975,613	4,500,000	8,650,649
Postage & Deliveries	50205010	93,794	64,180	100,000	242,700
Advertising Expense	50299010	1,509,111	1,071,670	2,662,000	4,920,000
Printing and Publication Expenses	50299020	10,510	2,212	22,000	1,326,150
Representation Expense	50299030	2,393,341	1,524,940	2,000,000	3,369,800
Fidelity Bond Premium	50215020	585,478	598,511	496,099	835,295
Insurance Expense	50215030	1,282,845	700,430	399,600	522,611
Taxes,Duties & Licenses	50215010	199,737	136,586	20,000	20,000
Bank Charges	50301040	1,480	2,380	10,000	8,500
Rent/Lease Expense	50299050	4,420,526	2,982,580	4,000,000	8,441,863

OBJECT	CODE	EXPENDITURE		BUDGET	
		ACTUAL	ACTUAL	CURRENT	PROPOSED
		2015	2016	2016	2017
Repairs and Maintenance- Buildings and Other Structures	5021304001	3,157,677	2,426,560	5,500,000	8,896,492
Repairs and Maintenance- Machinery and Equipment OE	5021305002	44,992	591,920	300,000	943,500
Repairs and Maintenance- Machinery and Equipment IT	5021305003	657,376	24,374,577	24,193,460	61,518,600
Repairs and Maintenance- Machinery and Equipment OME	5021305099	11,749	8,678		
Repairs and Maintenance- Furniture and Fixtures	50213070		340.00	5,000	50,000
Repairs and Maintenance- Transportation Equipment	5021306001	2,073,081	972,533	3,020,000	3,036,000
Repairs and Maintenance- Construction and Heavy Equipment	5021306002	30,907			
Depreciation Expense	5 05 01 040	9,885,427		3,900,000	5,809,200
Other Maintenance & Operating Expenses	50299990	4,135,423	3,541,484		
<b>Sub Total</b>		<b>101,146,487</b>	<b>93,431,866</b>	<b>103,994,397</b>	<b>197,303,647</b>

<b>CAPITAL OUTLAY</b>					
Buildings	10604010	3,722,000	4,600,000	20,000,000	10,000,000
Office Equipment	10605020	656,709	664,400	3,000,000	6,650,170
Furniture and Fixtures	10607010	340,080	79,770	332,350	734,000
Information and Communication Technology Equipment	10605030	45,458,315	9,635,871	35,000,000	50,736,123
Other Machineries and Equipment	10605990	6,800	28,500	-	38,000.00
Other Property, Plant and Equipment	10699990	450,300		122,500	180,000
Motor Vehicle	10606010		600,000.00	3,000,000	9,000,000
Construction and Heavy Equipment	10605080	1,388,000		-	
Communication Equipment	10605070	179,600		-	
Sports Equipment	10605130	226,000	376,920		
<b>Sub Total</b>		<b>52,427,804</b>	<b>15,985,461</b>	<b>61,454,850</b>	<b>77,338,293</b>

<b>Grand Total</b>	<b>227,368,643</b>	<b>224,846,486</b>	<b>312,153,387</b>	<b>494,557,850</b>
--------------------	--------------------	--------------------	--------------------	--------------------

Recommending Approval :



**BINGLE B. GUTIERREZ**  
Executive Director