



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

CORPORATE OPERATING BUDGET			
Fiscal Year 2023			
<b>TO: LAND BANK OF THE PHILIPPINES (LBP)</b>			
Your Corporate Operating Budget (COB) for FY 2023 per approved LBP Board Resolution No. 22-867 dated December 07, 2022, submitted pursuant to Section 6 of Executive Order (EO) No. 518, series of 1979 and Section 19, Chapter 3, Book VI of EO No. 292, series of 1987, is hereby approved for a total amount of <b>THREE HUNDRED TWENTY-FIVE BILLION THREE HUNDRED THIRTY-TWO MILLION FIVE HUNDRED EIGHTY THOUSAND PESOS ONLY (P325,332,580,000.00)</b> , details of which are shown below:			
PARTICULARS	PROPOSAL (a)	APPROVED (b)	VARIANCE (c=b-a)
<b>TOTAL SOURCES</b>	<b>P 871,046,172,000</b>	<b>P 871,046,172,000</b>	<b>P -</b>
Corporate Funds	871,046,172,000	871,046,172,000	-
<b>TOTAL USES</b>	<b>P 325,332,580,000</b>	<b>P 325,332,580,000</b>	<b>P -</b>
Personnel Services (PS)	23,087,208,000	23,087,208,000	a/ -
Maintenance & Other Operating Expenses (MOOE)	50,796,751,000	50,796,751,000	b/ -
Capital Outlays (CO)	251,448,621,000	251,448,621,000	c/ -
<b>Excess</b>	<b>P 545,713,592,000</b>	<b>P 545,713,592,000</b>	<b>P -</b>
<b>Footnotes:</b>			
a/ The approved PS level considers the LBP's adoption of Compensation and Position Classification System (CPCS) per Governance Commission for Government-Owned or Controlled Corporations (GCG) approval dated May 10, 2022. The said CPCS approval expressly authorizes the LBP to implement Category 3 Salary Structure for its 14,201 positions based on their CPCS Job Grade equivalent pursuant to Executive Order No. 150 dated October 1, 2021, its implementing rules and regulations, and corresponding CPCS circulars for each PS item.			
b/ The approved MOOE level is computed considering the LBP's absorptive capacity, i.e., historical budget utilization rates (BURs) of the three (3) immediately preceding years, applying the year with the highest BUR to determine FY 2023 MOOE level, and the latest report on expenditures of the current year and the doable programs, activities and projects of the LBP until the end of the year.			
c/ The approved CO level considers the implementation-readiness of the projects and activities under the respective CO items which are expected to be completed within the year as certified by the LBP.			
<b>Notwithstanding the approved level for each allotment class, the LBP still has the flexibility to modify its utilization within the total DBM-approved budget level for items funded out of corporate funds.</b>			
Further, the following conditions shall be observed and complied with:			
1 All expenditures, whether for current operating expenditures or for COs, shall be made within the limits of available funds realized from corporate receipts, authorized corporate borrowings and NG budgetary support either in the form of subsidy, equity or loans outlay.			
2. Any increase in the approved principal COB in the course of the budget year, as may be warranted by additional corporate receipts, shall require the submission of a supplemental COB to cover the additional expenditures.			
3. This approval shall not be construed as an authorization for specific expenditure items under PS which requires prior approval by the OP. <b>Disbursements for PS shall strictly observe pertinent compensation laws, rules and regulations</b> , including EO Nos. 7 and 24 dated September 8, 2010 and February 10, 2011, respectively and EO No. 150 for Government-Owned or Controlled Corporations (GOCCs) covered by RA No. 10149. Such expenditures shall also be subject to relevant conditions under the GPs of the annual General Appropriations Act (GAA) or any specific law or approval of the President of the Philippines and/or Secretary of Budget and Management or the Governance Commission for GOCCs, as the case may be.			



**TO: LAND BANK OF THE PHILIPPINES (LBP)**

5. For equipment outlays included in the Annual Procurement Program that require specific clearance/approval from the agencies concerned, shall be secured before acquisition thereof. Examples: OP/Department of Budget and Management/Supervising Department for the purchase of motor vehicles, in accordance with the provisions of the Budget Circular No. 2022-01 (Omnibus Guidelines on the Acquisition, Use, Rental, and Replacement of Motor Vehicles), RA No. 9184 (Government Procurement Reform Act) and its Implementing Rules and Regulations, among others.
6. Electronic payment shall be observed in the disbursement of corporate and public funds. In case the same is impracticable, the GOCC shall be allowed to continue with the existing payment scheme.
7. Pursuant to AO No. 6 dated September 19, 2017, no irregular, unnecessary, extravagant, excessive and unconscionable expenses shall be incurred. Furthermore, existing laws, rules and regulations mandating the judicious and prudent use of government funds shall be observed.
8. It is understood that this review action does not authorize any item of expenditure that is prohibited by or inconsistent with the provisions of existing laws, rules and regulations.
9. Any and all officials or employees who will authorize, allow or permit, as well as those who are negligent in the performance of their duties and functions which resulted in the incurrence or payment of unauthorized and unlawful obligation or expenditure shall be personally liable to the government for the full amount committed or expended and subject to disciplinary actions in accordance with Section 43, Chapter 5 and Section 80, Chapter 7, Book VI of EO No. 292.

**Recommending Approval:**

 Digitally signed by  
Elena Regina S.  
Brillantes

**ELENA REGINA S. BRILLANTES**

Director, BMB-C

Date: April 12, 2023

**Approved**

By the Authority of the Secretary:

  
**CRISTINA B. CLASARA**

Acting Undersecretary, Budget Preparation and Execution Group

cf:

**The Chairman**

Board of Directors, Land Bank of the Philippines

**Assistant Commissioner Winnie Rose H. Encallado**

Commission on Audit (COA) - Central Office

COA Building, Quezon City

**The Resident Auditor**

COA - LBP

**COB No. C4-23-0011**

Date: April 13, 2023