



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

**CORPORATE OPERATING BUDGET**  
Fiscal Year 2024

**TO: CIVIL AVIATION AUTHORITY OF THE PHILIPPINES (CAAP)**

Your Corporate Operating Budget (COB) for FY 2024 per Board Resolution No. 2023-58 and Secretary's Certificate dated December 20, 2023 and May 7, 2024, respectively, submitted pursuant to Section 6 of Executive Order (EO) No. 518, series of (s.) 1979, and Section 19, Chapter 3, Book VI of EO No. 292, s. 1987, is hereby approved for a total amount of **TWELVE BILLION FOUR HUNDRED NINETY-FOUR MILLION FOUR HUNDRED NINETY-TWO THOUSAND PESOS ONLY (P12,494,492,000.00)**, details of which are shown below:

PARTICULARS	PROPOSAL		APPROVED		VARIANCE	
	(a)	(b)	(c)	(d)	(e)	(f)
<b>TOTAL SOURCES</b>	<b>P 14,524,080,000</b>	<b>P 14,524,080,000</b>	<b>P</b>	<b>-</b>	<b>P</b>	<b>-</b>
Corporate Funds	13,494,080,000	13,494,080,000				
National Government (NG) Subsidy	1,030,000,000	1,030,000,000				
<b>TOTAL USES</b>	<b>P 12,813,402,000</b>	<b>P 12,494,492,000</b>	<b>a/ P</b>	<b>(318,910,000)</b>	<b>P</b>	<b>(318,910,000)</b>
Personnel Services (PS)	4,352,374,000	4,352,374,000	b/			
Maintenance & Other Operating Expenses (MOOE)	4,555,863,000	4,236,953,000	c/	(318,910,000)		
Capital Outlays (CO)	3,905,165,000	3,905,165,000	d/			
<b>Excess</b>	<b>P 1,710,678,000</b>	<b>P 2,029,588,000</b>	<b>P</b>	<b>318,910,000</b>	<b>P</b>	<b>318,910,000</b>

**Footnotes:**

a/ This includes the budget of the Davao International Airport Authority (DIAA) as stated in the above-mentioned Board Resolution, thus, the Department of Budget and Management no longer issues a separate COB approval letter to the DIAA.

b/ The recommended PS level considered the CAAP's adoption of the Compensation and Position Classification System (CPCS) authority per Governance Commission for Government-Owned or -Controlled Corporations (GCG) approval dated November 8, 2022. The said CPCS approval expressly authorizes the Authority to implement the CPCS Job Grade equivalent positions, pursuant to EO No. 150, s. 2021, its Implementing Rules and Regulations, and the corresponding CPCS Circular for each PS item.

c/ The recommended MOOE level is computed considering the CAAP's absorptive capacity for the three (3) immediately preceding years, applying the year with the highest BUR to determine FY 2024 MOOE level. Notably, the CAAP's highest BUR for MOOE is 93%.

d/ The recommended CO level considered 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 CAAP.

Transportation Equipment amounting to P1,833,220,000.00 is recommended as proposed for budgetary purposes. The corresponding Authority to Purchase Motor Vehicle (APMV) shall be acted separately upon submission by the CAAP to the DBM of a request letter supported with pertinent data, i.e. proposed MV type, specifications, comparative costing, updated inventory of existing MVs, among others, in accordance with Budget Circular (BC) Nos. 2022-1 and 2022-1A (Omnibus Guidelines on the Acquisition, Use, Rental, and Replacement of Government Motor Vehicles).

**Notwithstanding the aforementioned variance in MOOE, the CAAP still has the flexibility to modify its utilization within the total DBM-approved budget level.**

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.

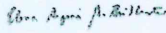
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*Mar Aaron N. De Leon*  
MAR AARON N. DE LEON  
Records Officer I  
Central Records and Archives Division

**CIVIL AVIATION AUTHORITY OF THE PHILIPPINES (CAAP)**

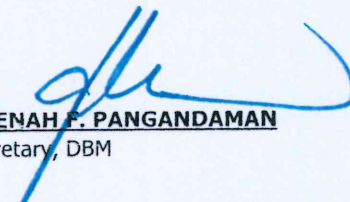
2. Any increase in the approved principal COB in the course of the budget year, as may be warranted by additional corporate receipts, shall require the submission of a supplemental COB to cover the additional expenditures.
3. This approval shall not be construed as an authorization for specific expenditure items under PS which require prior approval by the Office of the President (OP). **Disbursement for PS shall strictly observe pertinent compensation laws, rules and regulations**, including EO Nos. 7, s. 2010 and 24, s. 2011, respectively, and EO No. 150, for Government-Owned or-Controlled Corporations (GOCCs) covered by Republic Act (RA) No. 10149. Such expenditures shall be subject to relevant conditions under the General Provisions (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 GCG, as the case may be.
4. Disbursements for MOOE expenditures shall be subject to the relevant provisions of the annual GAA and such other guidelines issued for the purpose (e.g., Payment of Extraordinary and Miscellaneous Expenses pursuant to Section 51 of GP of FY 2024 GAA, Disbursements of Confidential and Intelligence Funds pursuant to Sections 84 and 85 of GP of FY 2024 GAA and COA-DBM-DILG-GCG-DND Joint Circular No. 2015-01, among others).
5. For equipment outlays included in the Annual Procurement Program, the require specific clearance/approval from the agencies concerned shall be secured before acquisition thereof (e.g., Department of Information and Communications Technology for procurement of information and communication technology equipment covered by the GOCC's Information System Strategic Plan, and OP/DBM/Supervising Department for the purchase of motor vehicles, in accordance with the provisions of the BC Nos. 2022-1 and 2022-1A, 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 Administrative Order 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

**Approved by:**

  
**AMENAH F. PANGANDAMAN**  
Secretary, DBM

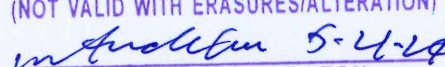
cf: **The Chairman**  
Board of Directors, CAAP

**Assistant Commissioner for Corporate Government Audit Sector**  
Commission on Audit (COA) - Central Office  
COA Building, Quezon City

**The Resident Auditor**  
COA - CAAP

**COB No. C3-24-0065**

Date: MAY 13 2024

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**MAR AARON N. DE LEON**  
Records Officer I  
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