NATIONAL DEVELOPMENT COMPANY
OFFICE OF THE GENERAL MANAGER

Received by: Vanessa Aranas
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REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
GENERAL SOLANO STREET, SAN MIGUEL, MANILA

CORPORATE OPERATING BUDGET
Fiscal Year 2025

TO: NATIONAL DEVELOPMENT COMPANY

Your Corporate Operating Budget (COB) for FY 2025 per approved NDC Corporate Secretary's Certificate dated March 27, 2025, 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 **ONE BILLION FIVE HUNDRED THIRTY TWO MILLION EIGHT HUNDRED SIX THOUSAND PESOS ONLY (P1,532,806,000.00)**, details of which are shown below:

PARTICULARS	PROPOSAL (a)	APPROVED (b)		VARIANCE (c=b-a)
TOTAL SOURCES	P **1,532,806,000**	**1,532,806,000**		P -
Corporate Funds	1,327,020,000	1,327,020,000		-
National Government (NG) Support	205,786,000	205,786,000		-
TOTAL USES	P **1,532,806,000**	**1,532,806,000**		P -
Personnel Services (PS)	69,917,000	69,917,000	*a/*	-
Maintenance & Other Operating Expenses (MOOE)	796,989,000	796,989,000	*b/*	-
Capital Outlays (CO)	665,900,000	665,900,000	*c/*	-
Excess/(Shortfall)	P -	-		P -

Footnotes:

a/ The recommended PS level considered the adoption by the NDC of the Compensation and Position Classification System (CPCS) as authorized by the Governance Commission for Government-Owned or Controlled Corporations (GCG) per approval dated January 26, 2022, 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 absorptive capacity of the NDC for the three (3) immediate preceding years, wherein the highest Budget Utilization Rate (BUR) is applied to MOOE items.

c/ The recommended 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 Company.

Notwithstanding the aforementioned approved level per allotment class, the NDC 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 COs, shall be made within the limits of available funds realized from corporate receipts, authorized corporate borrowings and National Government 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. **Disbursements for PS shall strictly observe pertinent compensation laws, rules and regulations**, 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 be subject to relevant conditions under the General Provisions of the annual General Approriations Act 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.

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4. Disbursements for Extraordinary and Miscellaneous Expenses and other MOOE expenditures shall be subject to the relevant provisions of the annual GAA, among others.

5. For equipment outlays included in the Annual Procurement Program that requires specific clearance/approval from the agencies concerned, the same shall be secured before acquisition thereof. Example: 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/ Department of Budget and Management/Supervising Department for the purchase of motor vehicles (MV), in accordance with Budget Circular (BC) No. 2022-01 dated February 11, 2022 (Omnibus Guidelines on the Acquisition, Use Rental, and Replacement of MVs), existing procurement laws, rules and regulations, among others.

6. Electronic payment shall be observed in the disbursement of corporate and public funds. In case when the adoption 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 law, 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 IV, BMB-C

Approved:
By Authority of the Secretary:

ROLANDO U. TOLEDO
Undersecretary, DBM

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

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

The Resident Auditor
COA - NDC

COB No. C1-25-0024

Date: April 14, 2025