

H. PHILIPPINE AIR FORCE (AIR FORCES)

Appropriations/Obligations

(In Thousand Pesos)

	(Cash-Based)		
<u>Description</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
New General Appropriations	<u>30,203,663</u>	<u>35,838,789</u>	<u>35,368,675</u>
General Fund	30,203,663	35,838,789	35,368,675
Automatic Appropriations	<u>347,558</u>	<u>41,793</u>	<u>45,068</u>
Customs Duties and Taxes, including Tax Expenditures	309,861		
Retirement and Life Insurance Premiums	37,697	41,793	45,068
Continuing Appropriations	<u>93,041</u>	<u>509,083</u>	
Unreleased Appropriation for MOOE			
R.A. No. 11465	45,000		
Unobligated Releases for Capital Outlays			
R.A. No. 11465	7,618		
R.A. No. 11518		8,896	
Unobligated Releases for MOOE			
R.A. No. 11465	40,423		
R.A. No. 11518		500,187	

Budgetary Adjustment(s)	1,483,761		
Transfer(s) from:			
Miscellaneous Personnel Benefits Fund	590,298		
Pension and Gratuity Fund	893,463		
Total Available Appropriations	32,128,023	36,389,665	35,413,743
Unused Appropriations	(512,248)	(509,083)	
Unobligated Allotment	(512,248)	(509,083)	
TOTAL OBLIGATIONS	31,615,775	35,880,582	35,413,743
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**EXPENDITURE PROGRAM
(in pesos)**

	(Cash-Based)
GAS / STO / OPERATIONS / PROJECTS	2021 Actual	2022 Current	2023 Proposed
General Administration and Support	2,909,582,000	1,556,730,000	2,038,377,000
Regular	2,909,582,000	1,556,730,000	2,038,377,000
PS	2,048,970,000	1,005,979,000	1,468,512,000
MOOE	860,612,000	550,751,000	569,865,000
Operations	28,706,193,000	34,323,852,000	33,375,366,000
Regular	28,706,193,000	34,323,852,000	33,375,366,000
PS	14,655,014,000	14,576,476,000	15,144,605,000
MOOE	13,850,948,000	16,046,402,000	17,979,726,000
CO	200,231,000	3,700,974,000	251,035,000
TOTAL AGENCY BUDGET	31,615,775,000	35,880,582,000	35,413,743,000
Regular	31,615,775,000	35,880,582,000	35,413,743,000
PS	16,703,984,000	15,582,455,000	16,613,117,000
MOOE	14,711,560,000	16,597,153,000	18,549,591,000
CO	200,231,000	3,700,974,000	251,035,000

STAFFING SUMMARY

	2021	2022	2023
TOTAL STAFFING			
Civilian Personnel			
Total Number of Authorized Positions	1,827	1,827	1,827
Total Number of Filled Positions	1,222	1,235	1,235
Military			
Total Number of Authorized Positions	20,861	21,757	21,757
Total Number of Filled Positions	20,181	20,181	20,181

Proposed New Appropriations Language

For general administration and support, and operations, as indicated hereunder.....P 35,368,675,000
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OPERATIONS BY PROGRAM	PROPOSED 2023 (Cash-Based)			
	PS	MOOE	CO	TOTAL
AIR FORCES DEFENSE PROGRAM	15,108,833,000	17,979,726,000	251,035,000	33,339,594,000

EXPENDITURE PROGRAM BY CENTRAL / REGIONAL ALLOCATION, 2023 (Cash-Based)
(in pesos)

REGION	PS	MOOE	CO	TOTAL
Regional Allocation	16,568,049,000	18,549,591,000	251,035,000	35,368,675,000
National Capital Region (NCR)	16,568,049,000	18,549,591,000	251,035,000	35,368,675,000
TOTAL AGENCY BUDGET	16,568,049,000	18,549,591,000	251,035,000	35,368,675,000
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SPECIAL PROVISION(S)

- Hospital Income and Other Revenues from Golf Course Operations. In addition to the amounts appropriated herein, all income generated from the operations of Philippine Air Force General Hospital shall be deposited in an authorized government depository bank and used to augment the hospital's MOOE and Capital Outlay requirements, subject to the following conditions: (i) at least twenty five percent (25%) of said income shall be utilized to purchase and upgrade hospital equipment used directly in the delivery of health services; and (ii) income sourced from PhilHealth reimbursements from availment of medical services shall be used exclusively by said hospital for the improvement of its facilities, and the replenishment of drugs, medicines and vaccines, including medical and dental supplies used in government health care facilities.

Likewise, all revenues derived from the Philippine Air Force Golf Club membership dues, green fees, concession fees, and such other income from business-related operations of the golf course shall be deposited in an authorized government depository bank and shall be used to cover the expenses incurred in its operations. Any excess income from operations of the golf course may be used to augment the MOOE and Capital Outlay requirements of Philippine Air Force General Hospital and other Philippine Air Force treatment facilities, subject to the guidelines issued by the DBM and the DND.

In no case shall said amount be used for the payment of salaries, allowances and other benefits.

Disbursements or expenditures by the hospital in violation of the above requirements shall be void and shall subject the erring officials and employees to disciplinary actions in accordance with Section 43, Chapter 5, and Section 80, Chapter 7, Book VI of E.O. No. 292, and to appropriate criminal action under existing penal laws.

The Philippine Air Force shall prepare and submit to the DBM not later than November 15 of the preceding year, the annual operating budget for the current year covering said income and the corresponding expenditures. Likewise, it shall submit to the DBM not later than March 1 of the current year its audited financial statement for the immediately preceding year. The Commanding General of the Philippine Air Force and the Agency's web administrator or his/her equivalent shall be responsible for ensuring that the foregoing documents are likewise posted on the Philippine Air Force's website.

- Trust Receipts from the Use of Equipment and Facilities. Fees and charges from the use of equipment and facilities collected by the Philippine Air Force shall be used to augment its operating requirements in accordance with Section 1 of E.O. No. 1002. Said amount shall be deposited with the National Treasury and recorded as trust receipts in accordance with E.O. No. 338.
- Combat Expenses. An amount not exceeding Two Hundred Thousand Pesos (P200,000) per quarter for each Philippine Air Force squadron may be utilized by its tactical units for incidental and necessary expenses during operational exigencies. Such amount, chargeable against MOOE for combat expenses, shall be treated as cash advance subject to disbursement and liquidation in accordance with COA Circular Nos. 97-002 and 2004-006 dated February 10, 1997 and September 9, 2004, respectively.

4. Restriction on Armed Forces of the Philippines Expenditures. No amount appropriated herein shall be used to fund expenditures of military personnel in excess of those authorized and required based on the actual troop strength of the Philippine Air Force.
5. Rice Subsidy. The amount of One Hundred Sixty Nine Million Seven Hundred Five Thousand Pesos (P169,705,000) appropriated herein shall be used for the provision of rice subsidy, equivalent to twenty (20) kilos of rice a month, in the form of financial assistance to the military personnel of the Philippine Air Force.
6. Restriction on Use of Funds Allotted for Petroleum, Oil and Lubricants. The amounts appropriated herein for the purchase or acquisition of petroleum, oil and lubricants for the Philippine Air Force shall be used exclusively for said purposes.
7. Reimbursement of Expenses Incurred in Anti-smuggling and Economic Subversion Operations. Expenses incurred by the Philippine Air Force in anti-smuggling, economic subversion or similar operations may be reimbursed out of the proceeds from the sale of items seized or confiscated by the Philippine Air Force upon recommendation of the Secretary of National Defense and approval by the President of the Philippines, subject to the submission of a Special Budget pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292, and budgeting, accounting and auditing rules and regulations.
8. Reporting and Posting Requirements. The Philippine Air Force shall submit quarterly reports on its financial and physical accomplishments, within thirty (30) days after the end of every quarter, through the following:
 - (a) URS or other electronic means for reports not covered by the URS; and
 - (b) Philippine Air Force's website.

The Philippine Air Force shall send written notice when said reports have been submitted or posted on its website to the DBM, House of Representatives, Senate of the Philippines, House Committee on Appropriations, Senate Committee on Finance, and other offices where the submission of reports is required under existing laws, rules and regulations. The date of notice to said agencies shall be considered the date of compliance with this requirement.
9. Appropriations for Activities or Projects. The amounts appropriated herein shall be used specifically for the following activities or projects in the indicated amounts and conditions:

New Appropriations, by Programs/Activities/Projects (Cash-Based)

		<u>Current Operating Expenditures</u>			
		<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
A.REGULAR PROGRAMS					
1000000000000000	General Administration and Support	1,459,216,000	569,865,000		2,029,081,000
100000100001000	General management and supervision	634,240,000	569,865,000		1,204,105,000
100000100002000	Administration of Personnel Benefits	824,976,000			824,976,000
Sub-total, General Administration and Support		1,459,216,000	569,865,000		2,029,081,000
3000000000000000	Operations	15,108,833,000	17,979,726,000	251,035,000	33,339,594,000
3101000000000000	AIR FORCES DEFENSE PROGRAM	15,108,833,000	17,979,726,000	251,035,000	33,339,594,000
310100100001000	Force - Level Support Services	2,831,356,000	307,062,000		3,138,418,000
310100100002000	Force Development	5,464,100,000	10,559,502,000		16,023,602,000
310100100003000	Force Sustainment	6,813,377,000	7,113,162,000	251,035,000	14,177,574,000
Sub-total, Operations		15,108,833,000	17,979,726,000	251,035,000	33,339,594,000
TOTAL NEW APPROPRIATIONS		P 16,568,049,000	P 18,549,591,000	P 251,035,000	P 35,368,675,000
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Obligations, by Object of Expenditures

CYs 2021-2023
(In Thousand Pesos)

	(Cash-Based)		
	2021	2022	2023
Current Operating Expenditures			
Personnel Services			
Civilian Personnel			
Permanent Positions			
Basic Salary	336,022	348,277	375,563
Total Permanent Positions	336,022	348,277	375,563
Other Compensation Common to All			
Personnel Economic Relief Allowance	29,134	29,568	29,640
Representation Allowance	240	180	240
Transportation Allowance	240	180	240
Clothing and Uniform Allowance	7,281	7,392	7,410
Mid-Year Bonus - Civilian	26,951	29,022	31,296
Year End Bonus	28,218	29,022	31,296
Cash Gift	9,837	6,160	6,175
Productivity Enhancement Incentive	5,934	6,160	6,175
Performance Based Bonus	18,181		
Step Increment		870	939
Total Other Compensation Common to All	126,016	108,554	113,411
Other Compensation for Specific Groups			
Magna Carta for Public Health Workers	30,980	35,832	35,832
Longevity Pay	3,749	3,908	3,908
Lump-sum for filling of Positions - Civilian		30,208	21,638
Other Personnel Benefits	240,060		
Anniversary Bonus - Civilian		3,696	
Total Other Compensation for Specific Groups	274,789	73,644	61,378
Other Benefits			
Retirement and Life Insurance Premiums	39,534	41,793	45,068
PAG-IBIG Contributions	1,449	1,479	1,482
PhilHealth Contributions	4,931	6,063	8,451
Employees Compensation Insurance Premiums	1,422	1,479	1,482
Retirement Gratuity	7,667		
Loyalty Award - Civilian	220	1,065	1,065
Terminal Leave	18,346	7,588	8,537
Total Other Benefits	73,569	59,467	66,085
Military/Uniformed Personnel			
Basic Pay			
Base Pay	7,880,765	7,929,907	8,207,526
Creation of New Positions			255,632
Total Basic Pay	7,880,765	7,929,907	8,463,158
Other Compensation Common to All			
Personnel Economic Relief Allowance	449,911	456,360	484,344
Clothing/ Uniform Allowance	255,813	250,936	257,829
Subsistence Allowance	1,026,426	1,041,072	1,104,911
Laundry Allowance	7,608	7,805	8,286
Quarters Allowance	104,905	105,600	104,811
Longevity Pay	1,631,841	1,588,173	1,624,609

Mid-Year Bonus - Military/Uniformed Personnel	657,559	660,826	683,962
Year-end Bonus	657,267	660,826	683,962
Cash Gift	89,983	95,075	100,905
Productivity Enhancement Incentive	92,871	95,075	100,905
Performance Based Bonus	312,994		
Total Other Compensation Common to All	<u>5,287,178</u>	<u>4,961,748</u>	<u>5,154,524</u>
Other Compensation for Specific Groups			
Hazardous Duty Pay	238,812	260,976	260,976
Flying Pay	741,287	724,738	724,738
Hazard Duty Pay	121,471	123,217	130,774
Hardship Allowance	14,803	23,113	23,113
Combat Duty Pay	263,017	311,364	311,364
Instructor's Duty Pay	61,365	69,854	69,854
Reservist's Pay	34,711	60,163	60,163
Medal of Valor Award	1,800	1,800	1,800
Hospitalization Expenses	12,762		
Specialist's Pay	2,346	2,603	2,603
Parachutist Pay	4,397	19,952	19,952
Lump-sum for Filling of Positions - Military/Uniformed Personnel (MUP)			396,896
Anniversary Bonus - Military/Uniformed Personnel		57,045	
Total Other Compensation for Specific Groups	<u>1,496,771</u>	<u>1,654,825</u>	<u>2,002,233</u>
Other Benefits			
Special Group Term Insurance	1,350	1,369	1,454
PAG-IBIG Contributions	22,468	22,817	24,219
PhilHealth Contributions	115,655	138,166	184,600
Employees Compensation Insurance Premiums	22,248	22,817	24,219
Retirement Gratuity	1,647		
Terminal Leave	1,065,506	260,864	142,273
Total Other Benefits	<u>1,228,874</u>	<u>446,033</u>	<u>376,765</u>
TOTAL PERSONNEL SERVICES	<u>16,703,984</u>	<u>15,582,455</u>	<u>16,613,117</u>
Maintenance and Other Operating Expenses			
Travelling Expenses	292,274	292,275	382,073
Training and Scholarship Expenses	92,900	193,080	199,158
Supplies and Materials Expenses	3,530,432	3,828,032	5,488,407
Utility Expenses	402,689	414,782	439,306
Communication Expenses	53,898	55,098	59,582
Awards/Rewards and Prizes	1,550	1,550	1,644
Confidential, Intelligence and Extraordinary Expenses			
Intelligence Expenses	17,000	17,000	17,000
Professional Services	11,145	11,145	11,325
General Services	4,785	4,785	4,785
Repairs and Maintenance	9,384,525	11,180,586	11,259,820
Financial Assistance/Subsidy	148,754	148,754	175,057
Taxes, Insurance Premiums and Other Fees	332,224	22,363	22,363
Other Maintenance and Operating Expenses			
Advertising Expenses	2,270	2,270	2,409
Printing and Publication Expenses	2,994	2,994	3,177
Representation Expenses	305,404	305,405	324,004
Transportation and Delivery Expenses	9,783	9,783	10,379
Rent/Lease Expenses	4,231	4,231	4,231
Membership Dues and Contributions to Organizations	87	87	87
Subscription Expenses	113,015	101,333	143,184
Donations	1,600	1,600	1,600
TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES	<u>14,711,560</u>	<u>16,597,153</u>	<u>18,549,591</u>
TOTAL CURRENT OPERATING EXPENDITURES	<u>31,415,544</u>	<u>32,179,608</u>	<u>35,162,708</u>

Capital Outlays

Property, Plant and Equipment Outlay			
Infrastructure Outlay		7,693	
Buildings and Other Structures	4,704	5,000	
Machinery and Equipment Outlay	46,797	46,225	
Transportation Equipment Outlay	148,730	3,642,056	251,035
TOTAL CAPITAL OUTLAYS	200,231	3,700,974	251,035
GRAND TOTAL	31,615,775	35,880,582	35,413,743

STRATEGIC OBJECTIVES

SECTOR OUTCOME : Security, public order, and safety ensured

ORGANIZATIONAL
OUTCOME : Level of mission capability of air force units in air operations attained

PERFORMANCE INFORMATION

ORGANIZATIONAL OUTCOMES (Oos) / PERFORMANCE INDICATORS (PIs)	2021 GAA Targets	Actual
Level of mission capability of air force units in air operations attained		P 28,706,193,000
AIR FORCES DEFENSE PROGRAM		P 28,706,193,000
Outcome Indicator		
1. Percentage of Tactical Air Operations Group that supported the Unified Commands	100%	100%
Output Indicators		
1. Number of supportable aircraft maintained	173	162
2. Percentage of accomplishment of one-hour response to flight-directed mission	90%	94%
3. Percentage of flying hours flown	100%	72%

PERFORMANCE INFORMATION

ORGANIZATIONAL OUTCOMES (Oos) / PERFORMANCE INDICATORS (PIs)	Baseline	2022 Targets	2023 NEP Targets
Level of mission capability of air force units in air operations attained		P 34,323,852,000	P 33,375,366,000
AIR FORCES DEFENSE PROGRAM		P 34,323,852,000	P 33,375,366,000
Outcome Indicator			
1. Percentage of Tactical Air Operations Group that supported the Unified Commands	100%	100%	100%
Output Indicators			
1. Number of supportable aircraft maintained	173	173	169

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2. Percentage of accomplishment of one-hour response to flight-directed mission	90%	90%	90%
3. Percentage of flying hours flown	100%	100%	100%