XVIII. DEPARTMENT OF NATIONAL DEFENSE

A. OFFICE OF THE SECRETARY - PROPER

For general administration and support, and operations, as indicated hereunder..........................P 443,004,000

New Appropriations, by Program

<table>
<thead>
<tr>
<th>Current Operating Expenditures</th>
<th>Maintenance and Other Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Personnel Services</td>
</tr>
<tr>
<td>General Administration and Support</td>
<td>P 156,160,000</td>
</tr>
<tr>
<td>Operations</td>
<td>145,724,000</td>
</tr>
<tr>
<td>DEFENSE POLICY AND STRATEGY MANAGEMENT PROGRAM</td>
<td></td>
</tr>
<tr>
<td>TOTAL NEW APPROPRIATIONS</td>
<td>P 156,160,000</td>
</tr>
</tbody>
</table>

Special Provision(s)

1. Appropriations for Programs and Specific Activities. The amounts appropriated herein for the programs of the agency shall be used specifically for the following activities in the indicated amounts and conditions:

New Appropriations, by Programs/Activities/Projects

<table>
<thead>
<tr>
<th>Current Operating Expenditures</th>
<th>Maintenance and Other Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Personnel Services</td>
</tr>
<tr>
<td>PROGRAMS</td>
<td></td>
</tr>
<tr>
<td>General Administration and Support</td>
<td></td>
</tr>
<tr>
<td>General management and supervision</td>
<td>P 149,963,000</td>
</tr>
<tr>
<td>Administration of Personnel Benefits</td>
<td>6,197,000</td>
</tr>
<tr>
<td>Sub-total, General Administration and Support</td>
<td>156,160,000</td>
</tr>
<tr>
<td>Operations</td>
<td></td>
</tr>
<tr>
<td>Defense and security policy and strategy direction provided</td>
<td>145,724,000</td>
</tr>
<tr>
<td>DEFENSE POLICY AND STRATEGY MANAGEMENT PROGRAM</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Development, implementation and monitoring of the Defense System of Management (DSOM)  

Development, implementation and monitoring of the International Defense Engagement (IOSE)  

Sub-total, Operations  

TOTAL NEW APPROPRIATIONS  

New Appropriations, by Object of Expenditures  

(in Thousand Pesos)  

Current Operating Expenditures  

Personnel Services  

Civilian Personnel  

Permanent Positions  

Basic Salary  

Total Permanent Positions  

Other Compensation Common to All  

Personnel Economic Relief Allowance  
Representation Allowance  
Transportation Allowance  
Clothing and Uniform Allowance  
Mid-Year Bonus – Civilian  
Year End Bonus  
Cash Gift  
Step Increment  
Productivity Enhancement Incentive  

Total Other Compensation Common to All  

Other Benefits  

PAG-IBIG Contributions  
PhilHealth Contributions  
Employees Compensation Insurance Premiums  
Retirement Gratuity  
Terminal Leave  

Total Other Benefits  

Total Personnel Services  

Maintenance and Other Operating Expenses  

Travelling Expenses  
Training and Scholarship Expenses  
Supplies and Materials Expenses
Utility Expenses
Communication Expenses
Confidential, Intelligence and Extraordinary Expenses
Confidential Expenses
Extraordinary and Miscellaneous Expenses
Intelligence Expenses
Professional Services
General Services
Repairs and Maintenance
Taxes, Insurance Premiums and Other Fees
Other Maintenance and Operating Expenses
Advertising Expenses
Printing and Publication Expenses
Representation Expenses
Rent/Lease Expenses
Subscription Expenses
Donations

Total Maintenance and Other Operating Expenses

Total Current Operating Expenditures

TOTAL NEW APPROPRIATIONS

B. GOVERNMENT ARSENAL

For general administration and support, and operations, as indicated hereunder..............................P 1,216,188,000

New Appropriations, by Program

<table>
<thead>
<tr>
<th>Programs</th>
<th>Personnel Services</th>
<th>Maintenance and Other Operating Expenses</th>
<th>Financial Expenses</th>
<th>Capital Outlays</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Administration and Support</td>
<td>P 74,184,000</td>
<td>P 40,687,000</td>
<td></td>
<td></td>
<td>P 114,871,000</td>
</tr>
<tr>
<td>Operations</td>
<td>168,208,000</td>
<td>933,109,000</td>
<td></td>
<td></td>
<td>1,101,317,000</td>
</tr>
<tr>
<td>Small Arms Ammunition, Weapons, and Munitions</td>
<td>168,208,000</td>
<td>933,109,000</td>
<td></td>
<td></td>
<td>1,101,317,000</td>
</tr>
<tr>
<td>Total New Appropriations</td>
<td>P 242,392,000</td>
<td>P 973,796,000</td>
<td></td>
<td></td>
<td>P 1,216,188,000</td>
</tr>
</tbody>
</table>

Special Provision(s)

1. Hospital Income. In addition to the amounts appropriated herein, all income generated from the operations of the Government Arsenal (GA) infirmary shall be deposited in an authorized government depository bank and used to augment the infirmary’s M O D E 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 availing of medical services shall be used exclusively by said hospitals 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.

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, s. 1987, and to appropriate criminal action under existing penal laws.