

## H. PHILIPPINE AIR FORCE (AIR FORCE)

### STRATEGIC OBJECTIVES

MANDATE : The PAF organizes, trains and equips forces for the conduct of prompt and sustained air operations for the defense of the Philippines (Executive Order No. 292).

VISION : A professional and competent Air Force responsive to national security and development

MISSION : To organize, train, equip and maintain forces in order to conduct prompt and sustained air operations to accomplish the AFP mission.

KEY RESULT AREAS : Just and lasting peace and the rule of law

SECTOR OUTCOME : Stable national security environment achieved

ORGANIZATIONAL OUTCOME : 1. Level of mission capability of Air Force Units in Air Operations Attained

### SECTION 1 : EXPENDITURE PROGRAM (in pesos)

No. / Code	GASS / STO / OPERATIONS / PROJECTS	2014 Actual	2015 Current	2016 Proposed
000001000000000	General Administration and Support	1,863,536,000	901,148,000	1,381,169,000
	PS	1,448,384,000	468,726,000	894,032,000
	MOOE	415,152,000	432,422,000	446,456,000
	CO			40,681,000

000002000000000	Support to Operations	1,867,264,000	1,910,734,000	2,204,352,000
	PS	1,618,968,000	1,655,236,000	1,941,499,000
	MOOE	248,296,000	255,498,000	262,853,000
000003000000000	Operations	9,778,279,000	11,878,441,000	11,788,815,000
	PS	5,418,488,000	5,255,137,000	5,554,148,000
	MOOE	4,256,931,000	5,786,789,000	5,901,027,000
	CO	102,860,000	836,515,000	333,640,000
	Projects		20,000,000	
	CO		20,000,000	
TOTAL AGENCY BUDGET		13,509,079,000	14,710,323,000	15,374,336,000
	PS	8,485,840,000	7,379,099,000	8,389,679,000
	MOOE	4,920,379,000	6,474,709,000	6,610,336,000
	CO	102,860,000	856,515,000	374,321,000

STAFFING SUMMARY

	2014	2015	2016
TOTAL STAFFING			
Civilian Personnel			
Total Number of Authorized Positions	1,827	1,827	1,827
Total Number of Filled Positions	915	939	939
Military			
Total Number of Authorized Positions	17,520	17,612	17,612
Total Number of Filled Positions	16,489	16,982	16,982

PROPOSED 2016

OPERATIONS BY MFO	PS	MOOE	CO	TOTAL
MFO 1: TERRITORIAL DEFENSE, SECURITY AND STABILITY SERVICES	5,546,087,000	5,901,027,000	333,640,000	11,780,754,000

SECTION 2 : EXPENDITURE PROGRAM BY CENTRAL / REGIONAL ALLOCATION, 2016  
(in pesos)

REGION	PS	MOOE	CO	TOTAL
Regional Allocation (net of Central Office):	8,368,710,000	6,610,336,000	374,321,000	15,353,367,000
National Capital Region (NCR)	8,368,710,000	6,610,336,000	374,321,000	15,353,367,000
TOTAL AGENCY BUDGET	8,368,710,000	6,610,336,000	374,321,000	15,353,367,000

SECTION 3 : SPECIAL PROVISION(S)

- Hospital Income. In addition to the amounts appropriated herein, all income generated from the operations of the 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: PROVIDED, That at least twenty-five percent (25%) of the said income shall be utilized to purchase and upgrade hospital equipment used directly in the delivery of health services.

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 website.

2. 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 and recorded as trust receipts shall be used to augment its operating requirements in accordance with Sections 1 and 2 of E.O. No. 1002.

The Philippine Air Force shall submit to the DBM, the House Committee on Appropriations and the Senate Committee on Finance, either in printed form or by way of electronic document, quarterly reports on the status of the trust receipts. The Commanding General of the Philippine Air Force and the Agency's web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are likewise posted on the Philippine Air Force website.

3. Combat Expenses. An amount not exceeding One Hundred Thousand Pesos (P100,000) 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. 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:

#### SECTION 4 : PERFORMANCE INFORMATION

##### KEY STRATEGIES :

Increasing PAF readiness to achieve the Command thrusts of POWER-UP PAF consistent with the Defense Planning Guidance 2014-2019

ORGANIZATIONAL OUTCOMES (Oos) / PERFORMANCE INDICATORS (PIs)	Baseline	2016 Targets
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##### **Level of mission capability of Air Force Units in Air Operations Attained**

Percentage of Air Force Units Provided to Unified Commands		85%
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MFO / PIs	2016 Targets
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##### MFO 1: TERRITORIAL DEFENSE, SECURITY AND STABILITY SERVICES

Aircraft Maintenance Readiness Rate		70%
Percentage of accomplishment of one (1) hour response time to flight-directed mission		85%
Number of Supportable Aircraft Maintained		140

##### Appropriations/Obligations

(In Thousand Pesos)

Description	2014	2015	2016
New General Appropriations	12,455,977	14,687,813	15,353,367
General Fund		14,687,813	15,353,367
R.A. No. 10633	12,455,977		
Automatic Appropriations	31,147	22,510	20,969
Customs Duties and Taxes, including Tax Expenditures	3,254		
Retirement and Life Insurance Premiums	27,893	22,510	20,969

Continuing Appropriations	<u>208</u>		
Unobligated Releases for Capital Outlays R.A. No. 10352	208		
Budgetary Adjustment(s)	<u>1,029,792</u>		
Transfer(s) from:			
Contingent Fund	1,992		
Miscellaneous Personnel Benefits Fund	334,431		
Pension and Gratuity Fund	<u>693,369</u>		
Total Available Appropriations	13,517,124	<u>14,710,323</u>	<u>15,374,336</u>
Unused Appropriations	<u>( 8,045)</u>		
Unobligated Allotment	<u>( 8,045)</u>		
TOTAL OBLIGATIONS	<u>13,509,079</u>	<u>14,710,323</u>	<u>15,374,336</u>

Proposed New Appropriations Language  
 For general administration and support, support to operations, and operations, as indicated hereunder.....P 15,353,367,000  
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New Appropriations, by Programs/Activities/Projects

		<u>Current Operating Expenditures</u>			
		<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
PROGRAMS					
000001000000000	General Administration and Support	<u>886,261,000</u>	<u>446,456,000</u>	<u>40,681,000</u>	<u>1,373,398,000</u>
103001000100000	General management and supervision	P 434,750,000	P 446,456,000	P 40,681,000	P 921,887,000
103001000200000	Administration of Personnel Benefits	<u>451,511,000</u>			<u>451,511,000</u>
Sub-total, General Administration and Support		<u>886,261,000</u>	<u>446,456,000</u>	<u>40,681,000</u>	<u>1,373,398,000</u>
000002000000000	Support to Operations	<u>1,936,362,000</u>	<u>262,853,000</u>		<u>2,199,215,000</u>
121002000100000	Force-Level Support Services	<u>1,936,362,000</u>	<u>262,853,000</u>		<u>2,199,215,000</u>
Sub-total, Support to Operations		<u>1,936,362,000</u>	<u>262,853,000</u>		<u>2,199,215,000</u>
000003000000000	Operations	<u>5,546,087,000</u>	<u>5,901,027,000</u>	<u>333,640,000</u>	<u>11,780,754,000</u>
000003010000000	MFO 1: TERRITORIAL DEFENSE, SECURITY AND STABILITY SERVICES	<u>5,546,087,000</u>	<u>5,901,027,000</u>	<u>333,640,000</u>	<u>11,780,754,000</u>
121003010100000	Force Development	2,779,526,000	2,650,462,000	320,837,000	5,750,825,000
121003010200000	Force Sustainment	<u>2,766,561,000</u>	<u>3,250,565,000</u>	<u>12,803,000</u>	<u>6,029,929,000</u>
Sub-total, Operations		5,546,087,000	5,901,027,000	333,640,000	11,780,754,000
TOTAL NEW APPROPRIATIONS		P <u>8,368,710,000</u>	P <u>6,610,336,000</u>	P <u>374,321,000</u>	P <u>15,353,367,000</u>

## Obligations, by Object of Expenditures

CYs 2014-2016  
(In Thousand Pesos)

	2014	2015	2016
Current Operating Expenditures			
Personnel Services			
Civilian Personnel			
Permanent Positions			
Basic Salary	175,027	187,565	174,746
Total Permanent Positions	<u>175,027</u>	<u>187,565</u>	<u>174,746</u>
Other Compensation Common to All			
Personnel Economic Relief Allowance	21,122	23,856	22,536
Representation Allowance	180	180	60
Transportation Allowance	180	180	60
Clothing and Uniform Allowance	4,480	4,970	4,695
Productivity Incentive Allowance	1,744	1,988	
Year End Bonus	13,944	15,629	14,563
Cash Gift	4,432	4,970	4,695
Step Increment		466	1,131
Productivity Enhancement Incentive	4,340		4,695
Performance Based Bonus	11,869		
Total Other Compensation Common to All	<u>62,291</u>	<u>52,239</u>	<u>52,435</u>
Other Compensation for Specific Groups			
Magna Carta for Public Health Workers	71,215	15,036	15,036
Longevity Pay	2,974	4,934	3,305
Special Duty Allowance	617		
Lump-sum for Personnel Services	109,582		
Other Personnel Benefits	3,467		
Total Other Compensation for Specific Groups	<u>187,855</u>	<u>19,970</u>	<u>18,341</u>
Other Benefits			
Retirement and Life Insurance Premiums	20,056	22,510	20,969
PAG-IBIG Contributions	1,052	1,185	1,127
PhilHealth Contributions	1,963	2,173	2,036
Employees Compensation Insurance Premiums	1,049	1,179	1,121
Retirement Gratuity	68,791		14,773
Terminal Leave			5,624
Total Other Benefits	<u>92,911</u>	<u>27,047</u>	<u>45,650</u>
Military/Uniformed Personnel			
Basic Pay			
Base Pay	3,885,126	3,937,754	3,999,831
Total Basic Pay	<u>3,885,126</u>	<u>3,937,754</u>	<u>3,999,831</u>
Other Compensation Common to All			
Personnel Economic Relief Allowance	371,776	393,432	407,568
Clothing/ Uniform Allowance	209,522	154,227	188,394
Subsistence Allowance	523,432	538,510	929,766
Laundry Allowance	6,682	6,630	6,844
Quarters Allowance	91,281	91,305	91,298
Productivity Incentive Allowance	30,928	32,786	
Longevity Pay	823,481	833,090	834,954
Year-end Bonus	325,436	328,145	333,319
Cash Gift	79,992	81,965	84,910
Productivity Enhancement Incentive	81,905		84,910
Performance Based Bonus	126,735		
Total Other Compensation Common to All	<u>2,671,170</u>	<u>2,460,090</u>	<u>2,961,963</u>
Other Compensation for Specific Groups			
Hazardous Duty Pay	107,717	91,517	91,517
Hazard Duty Pay	46,282	47,212	48,908
Flying Pay	395,336	370,518	370,518
Hardship Allowance	11,696	6,190	6,190
Combat Duty Pay	30,029	33,744	33,744
Instructor's Duty Pay	33,589	33,675	33,675

Reservist's Pay	49,355	21,310	28,584
Medal of Valor Award	600	1,200	1,200
Hospitalization Expenses	17,237		
Specialist's Pay	3,848	153	153
Parachutist Pay	4,506	3,726	3,726
Lump-sum for Filling of Positions - Military/Uniformed Personnel (MUP)			225,536
<b>Total Other Compensation for Specific Groups</b>	<b>700,195</b>	<b>609,245</b>	<b>843,751</b>
<b>Other Benefits</b>			
Special Group Term Insurance	1,326	1,174	1,223
PAG-IBIG Contributions	18,909	19,671	20,378
PhilHealth Contributions	46,543	44,673	45,405
Employees Compensation Insurance Premiums	19,909	19,671	20,378
Retirement Gratuity	624,578		
Terminal Leave			205,578
<b>Total Other Benefits</b>	<b>711,265</b>	<b>85,189</b>	<b>292,962</b>
<b>TOTAL PERSONNEL SERVICES</b>	<b>8,485,840</b>	<b>7,379,099</b>	<b>8,389,679</b>
<b>Maintenance and Other Operating Expenses</b>			
Travelling Expenses	171,784	240,651	249,518
Training and Scholarship Expenses	56,872	57,668	83,358
Supplies and Materials Expenses	1,431,801	1,859,681	2,048,480
Utility Expenses	414,933	334,321	344,351
Communication Expenses	38,039	39,792	40,206
Awards/Rewards and Prizes	50	1,550	1,550
Confidential, Intelligence and Extraordinary Expenses			
Extraordinary and Miscellaneous Expenses	44,151	12,447	
Intelligence Expenses	17,000	17,000	17,000
Professional Services	5,650	5,662	5,662
General Services	4,108	13,821	13,821
Repairs and Maintenance	2,531,267	3,688,811	3,582,658
Taxes, Insurance Premiums and Other Fees	13,943	19,166	19,166
<b>Other Maintenance and Operating Expenses</b>			
Advertising Expenses	1,093	1,550	1,597
Printing and Publication Expenses	5,399	5,561	5,727
Representation Expenses	177,806	160,596	177,861
Transportation and Delivery Expenses	2,802	9,293	9,571
Rent/Lease Expenses	1,717	2,171	2,171
Membership Dues and Contributions to Organizations	47	45	45
Subscription Expenses	1,917	3,420	3,420
Donations		1,500	1,500
Other Maintenance and Operating Expenses		3	2,674
<b>TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES</b>	<b>4,920,379</b>	<b>6,474,709</b>	<b>6,610,336</b>
<b>TOTAL CURRENT OPERATING EXPENDITURES</b>	<b>13,406,219</b>	<b>13,853,808</b>	<b>15,000,015</b>
<b>Capital Outlays</b>			
Property, Plant and Equipment Outlay			
Infrastructure Outlay			237,834
Buildings and Other Structures		804,515	83,003
Machinery and Equipment Outlay		50,000	53,484
Transportation Equipment Outlay	102,860		
Furniture, Fixtures and Books Outlay		2,000	
<b>TOTAL CAPITAL OUTLAYS</b>	<b>102,860</b>	<b>856,515</b>	<b>374,321</b>
<b>GRAND TOTAL</b>	<b>13,509,079</b>	<b>14,710,323</b>	<b>15,374,336</b>