Special Provision(s)

1. Hospital Income and Other Revenues from Golf Course Operations. In addition to the amounts appropriated herein, all income generated from the operations of the Veterans Memorial Medical Center (VMMC) shall be deposited in an authorized government depository bank and shall be used to augment the hospital’s MDOE and Capital Outlays.

Likewise, all revenues derived from the VMNC golf club membership dues and 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 the operations of the VMMC golf course.

PROVIDED, That no amount from the foregoing hospital income and revenues from golf course operations shall be used for the payment of salaries and other allowances: PROVIDED, FURTHER, That at least twenty-five percent (25%) of said income shall be used to purchase and upgrade hospital equipment used directly in the delivery of health services.

The VMNC shall prepare and submit to the DNM 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 DNM not later than March 1 of the current year its audited financial statement for the immediately preceding year. The Director of VMNC and the hospital’s web administrator or his/her equivalent shall be responsible for ensuring that said financial statement is likewise posted on the official website of the VMNC.

Failure to submit any of the foregoing shall render any disbursement from said income 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 EO No. 292 and to appropriate criminal action under existing penal laws.

2. Appropriations for Programs and Specific Activities. The amounts appropriated herein for the programs of the agency shall be used specifically for the activities in the amounts indicated under the Details of the FY 2014 Budget attached as Annex A (Volume 1) of this Act.

PERFORMANCE INFORMATION

KEY STRATEGIES

Adequate medical support and services to the veterans and their dependents by providing the needed medicines and diagnostic services and by upgrading hospital facilities and equipment.

Major Final Output (MFO) / Performance Indicators

<table>
<thead>
<tr>
<th>MFO 1: HEALTH CARE SERVICES FOR VETERANS AND THEIR DEPENDENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Number of in-patients treated</strong></td>
</tr>
<tr>
<td><strong>Number of out-patients treated</strong></td>
</tr>
<tr>
<td><strong>No. of emergency department treatments</strong></td>
</tr>
<tr>
<td><strong>Percentage of hospital separations that are due to discharge</strong></td>
</tr>
<tr>
<td><strong>Percentage of discharged patients who return unscheduled within three (3) months with the same condition</strong></td>
</tr>
<tr>
<td><strong>Percentage of patients attended to within 30 minutes upon arrival</strong></td>
</tr>
<tr>
<td><strong>Percentage of triage 3 or less urgent emergency department patients who are attended to within thirty (30) minutes</strong></td>
</tr>
</tbody>
</table>

G. PHILIPPINE ARMY (LAND FORCES)

STRATEGIC OBJECTIVES

MANDATE

The PA organizes, trains and equips forces for the conduct of prompt and sustained operations on land. (Executive Order No. 292)

VISION

By 2028, a world-class Army that is a source of national pride
MISSION

To develop, organize, train, equip, support, and sustain Army forces for the conduct of prompt and sustained ground operations to accomplish the AFP’s mission.

KEY RESULT AREAS

Just and lasting peace and the rule of law

SECTOR OUTCOME

Stable national security environment achieved

ORGANIZATIONAL OUTCOME

1. Capability to uphold the sovereignty and territorial integrity of the state assured
2. Internal stability promoted and sustained
3. Highest standard of capability and preparedness against disasters and emergencies achieved
4. Security sector reforms implemented

New Appropriations, by Program/Project

<table>
<thead>
<tr>
<th>Current Operating Expenditures</th>
<th>Maintenance and Other Operating Expenses</th>
<th>Capital Outlays</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Programs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1000000000 General Administration and Support P 2,754,929,000</td>
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<td>P 3,203,029,000</td>
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<td>300000000 Operations 30,508,214,000</td>
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<td>36,599,000</td>
<td>35,509,489,000</td>
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<tr>
<td>MFO 1: Territorial Defense, Security and Stability Services 30,508,214,000</td>
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<td>36,599,000</td>
<td>35,509,489,000</td>
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<tr>
<td>Total, Programs 34,584,433,000</td>
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<td>53,099,000</td>
<td>40,841,650,000</td>
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<td>PROJECT(S)</td>
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<td>400000000 Locally-Funded Project(s) 1,880,000</td>
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<td>27,950,000</td>
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<td>Total, Projects               1,880,000</td>
<td>26,070,000</td>
<td>27,950,000</td>
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<tr>
<td>TOTAL NEW APPROPRIATIONS P34,584,433,000</td>
<td>P 6,205,998,000</td>
<td>P 79,169,000</td>
<td>P 40,869,600,000</td>
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New Appropriations, by Central/Regional Allocation

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<tr>
<th>Current Operating Expenditures</th>
<th>Maintenance and Other Operating Expenses</th>
<th>Capital Outlays</th>
<th>Total</th>
</tr>
</thead>
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<tr>
<td>REGION</td>
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<tr>
<td>Regional Allocation P34,584,433,000</td>
<td>P 6,205,998,000</td>
<td>P 79,169,000</td>
<td>P 40,869,600,000</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 Fort Bonifacio General Hospital shall be deposited in an authorized government depository bank and shall be used to augment the hospital’s MOOE and Capital Outlays: PROVIDED, That no amount therefrom shall be used for the payment of salaries and other allowances; PROVIDED, FURTHER, That at least twenty-five percent (25%) of the said income shall be used to purchase and upgrade hospital equipment used directly in the delivery of health services.

The Philippine Army shall prepare and submit to the DoD 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 DoD not later than March 1 of the current year its audited financial statement for the immediately preceding year. The Commanding General of the Philippine Army and the Agency’s web administrator or his/her equivalent shall be responsible for ensuring that said financial statement is likewise posted on the official website of the Philippine Army.

Failure to submit any of the foregoing shall render any disbursement from said income 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.

2. Fees from Use of Equipment and Facilities. Fees and charges collected by the Philippine Army from the use of its equipment and facilities shall be deposited with the National Treasury as trust receipts and shall be used to augment its operating requirements in accordance with Sections 1 and 2 of E.O. No. 1002, s. 1985.

The Philippine Army shall submit, either in printed form or by way of electronic document, to the DoD, copy furnished the House Committee on Appropriations and the Senate Committee on Finance, quarterly reports on its income and expenditures, and the status of the trust receipts. The Commanding General of the Philippine Army and the Agency’s web administrator or his/her equivalent shall be responsible for ensuring that said quarterly reports are likewise posted on the official website of the Philippine Army.

Implementation of this provision shall be subject to COA-DoD-DoD Joint Circular No. 1-97 dated January 2, 1997.

3. Compensation and Separation Benefits of the Citizen Armed Forces Geographical Units. The amount of Two Billion Forty Eight Million One Hundred Thirty Two Thousand Pesos (P2,481,320,000) appropriated for the Citizen Armed Forces Geographical Unit (CAFGU) shall be used for the payment of compensation of its members, and separation benefits not exceeding one (1) year subsistence allowance for its members who will be deactivated pursuant to the Implementing Rules and Regulations of E.O. No. 264, s. 1987 and DND Circular No. 4 dated October 27, 2005: PROVIDED, That no new CAFGUs shall be recruited for training and the corresponding costs attendant to the training of existing CAFGUs shall be gradually scaled down in anticipation of its planned demobilization as a result of the implementation of the AFP Modernization Program.

The Philippine Army shall submit, either in printed form or by way of electronic document, to the DoD, copy furnished the House Committee on Appropriations and Senate Committee on Finance, an annual report indicating the number of existing CAFGU members, the year of their recruitment, and the selection criteria for enlistment in the CAFGU. The Commanding General of the Philippine Army and the Agency’s web administrator or his/her equivalent shall be responsible for ensuring that said report is likewise posted on the official website of the Philippine Army.

4. Combat Expenses. An amount not exceeding One Hundred Thousand Pesos (P100,000) per quarter for each company of the Philippine Army, may be utilized by its tactical units for incidental and necessary expenses during operational exigencies. Such amount, chargeable as combat expense against the approved budget under MOOE of the Philippine Army, 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, and other applicable COA issuances.

5. Purchase of Medicines. The purchase of medicines by the Philippine Army hospitals and clinics shall strictly comply with the Philippine National Drug Formulary prescribed by the DoH. They may likewise apply such other policies adopted by the DoH on the purchase of medicines, including those authorizing bulk and emergency purchases.

6. Restriction on Armed Forces of the Philippines Expenditures. No amount authorized herein shall be used to fund the expenditure requirements of military personnel in excess of the actual troop strength of the Philippine Army.

7. Appropriations for Programs and Specific Activities. The amounts appropriated herein for the programs of the agency shall be used specifically for the activities in the amounts indicated under the Details of the FY 2014 Budget attached as Annex A (Volume 1) of this Act.

PERFORMANCE INFORMATION

KEY STRATEGIES

Alignment with the Army Transformation Roadmap (ATR) and the Defense System of Management (DSM) thru the FA Strategic Management System (SMS)
Major Final Output (MFO) / Performance Indicators

MFO 1: TERRITORIAL DEFENSE, SECURITY AND STABILITY SERVICES

- Number of tactical battalions maintained
- Percentage of operational readiness of tactical battalions
- Average percentage of effective strength of tactical battalions that can be mobilized within 1 hour as dictated by higher authorities
- Number of ready reserve battalions maintained
- Percentage of operational readiness of ready reserve battalions

H. PHILIPPINE AIR FORCE (AIR FORCE)

STRATEGIC OBJECTIVES

MANDATE

The Philippine Air Force (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. Capability to uphold the sovereignty and territorial integrity of the state assured
2. Internal stability promoted and sustained
3. Highest standard of capability and preparedness against disasters and emergencies achieved
4. Security sector reforms implemented

New Appropriations, by Program/Project

Current Operating Expenditures

<table>
<thead>
<tr>
<th>Programs</th>
<th>Personnel Services</th>
<th>Operating Expenses</th>
<th>Capital Outlays</th>
<th>Total</th>
</tr>
</thead>
<tbody>
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