

**[ EXECUTIVE ORDER NO. 258, July 25, 1987 ]**

**GRANTING GOVERNMENT HOSPITALS AND THE BUREAU OF  
FOOD AND DRUGS AUTONOMY IN THE USE OF THEIR INCOME**

WHEREAS, the current pattern of social and economic development considers the health sector a high priority requiring adequate government support;

WHEREAS, government hospitals and the Bureau of Food and Drugs of the Department of Health are in the forefront in the government's effort to provide effective and efficient medical and health services; and

WHEREAS, the services of government hospitals and the Bureau of Food and Drugs (BFD) can be facilitated if their income receipts are immediately made available to meet their immediate needs;

NOW, THEREFORE, I, CORAZON C. AQUINO, President of the Republic of the Philippines, by virtue of the powers vested in me by the Constitution do hereby order:

SECTION 1. Any income earned by any government hospital and by the BFD shall be deemed to have been released from appropriations authorized for such hospital or the BFD, as the case may be, and shall be immediately available for expenditures.

SECTION 2. Fund releases from the Department of Budget and Management shall be reduced by the amount of income earned by the hospitals and the BFD. For this purpose, these agencies shall submit periodic reports of their income as well as reports indicating the details of expenditures thereof.

SECTION 3. In the event that any of these agencies realizes income more than its authorized appropriation, such excess shall be deemed automatically appropriated and released to augment existing authorized appropriation.

SECTION 3. Funds needed to implement this Executive Order shall be included in the CY 1988 Annual Appropriations of the AFP and INP.

SECTION 4. The Secretary of National Defense and the Chairman of the National Police Commission, respectively, shall issue such implementing instructions as are necessary and proper to carry out the intent of this Executive Order.

SECTION 5. All rules and regulations and other issuances or parts thereof that are in conflict with this Executive Order are hereby repealed or modified accordingly.

SECTION 6. This Executive Order shall take effect on January 1, 1988.

Done in the City of Manila, this 25th day of July, in the year of Our Lord, nineteen