

Republic of the Philippines DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS

OFFICE OF THE SECRETARY

Manila

JUL 2 6 200

DEPARTMENT ORDER)

Series of 2011

SUBJECT: AMENDMENT TO D.O. NO. 10, SERIES OF 2009 ON THE ALLOCATION OF THE AUTHORIZED 3% DEDUCTIONS FROM PROJECT FUNDS FOR ENGINEERING AND ADMINISTRATIVE **OVERHEAD (EAO) EXPENSES**

Consistent with the commitment of the Department to fast-track the implementation and timely completion of all infrastructure projects, whether foreign-assisted or locally-funded, with the active participation of the District Engineering Offices in the implementation of Centrally/PMO- and Regionally-managed projects, and in accordance with Section 6, Special Provisions of GAA FY 2011, the breakdown of allocation of the authorized Engineering and Administrative Overhead Expenses for Capital Outlay projects under the FY 2011 DPWH Infrastructure Program, as previously prescribed under D.O. No.10, series of 2009, is hereby amended as follows:

For Foreign-Assisted Projects:

| Percentage of Deductions/Retentions from Project Fund | | | | |
|---|-----------|------------------|-----------------------------------|-------|
| Central Office (CO) / PMO | Equipment | Reg. Office (RO) | District Engineering Office (DEO) | TOTAL |
| 2.25% | 0.25% | 0.25% | 0.25% | 3.00% |

For Locally-Funded Projects (Directly Released to the Central Office):

| Implementing | Percentage of Deductions/Retentions from Project Fund | | | | |
|-------------------------------------|---|-------------------------|-----------------------------------|-------|--|
| Office | Central Office (CO) | Regional Office (RO) | District Engineering Office (DEO) | TOTAL | |
| Central Office/ PMO- Implemented | 2.50% | 0.25% | 0.25% | 3.00% | |
| RO-Implemented | 1.0% | 1.75% | 0.25% | 3.00% | |
| DEO- Implemented | 1.0% | 0.25% | 1.75% | 3.00% | |

For those directly released to the Regional Offices and District Offices, which are authorized to deduct not more than 2.5% and 2.00%, respectively, of project cost for EAO expenses, the breakdown of allocation which shall apply only to locally-funded projects, shall be as follows:

| Implementing Office | Percentage of Deductions/ | | |
|------------------------|---------------------------|-----------------------------------|-------|
| | Regional Office (RO) | District Engineering Office (DEO) | TOTAL |
| RO-Implemented | 2.00% | 0.50% | 2.50% |
| DEO-Implemented | | 2.0% | 2.00% |

It is provided further that the engineering and administrative overhead expenses shall not be authorized for infrastructure projects costing Five Million Pesos (P5,000,000) and below.

This Order supersedes all previous issuances to the contrary and shall take effect immediately.

OGELIO L. SINGSON Secretary

