REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS
OFFICE OF THE SECRETARY
MANILA

13 February 1990

DEPARTMENT ORDER
NO. 48 7/ 9/13
SERIES OF 1990

SUBJECT: RETENTION FROM EMK FUNDS
FOR EQUIPMENT RENTALS.

TO ALL: BOE and BOM Directors
Regional Directors
Regional Equipment Engineers
District/City Engineers
And All Others Concerned
This Department

The accumulation of unpaid equipment rental obligations through
bills rendered to the DPWH Field Operating Units undertaking projects
by Administration of Force Account over the past years from Calendar
Year 1972 up to the present time has piled up to a sizeable amount
(P442M), despite the concerted efforts being exerted by the Bureau of
Equipment thru the Regional Directors and Regional Equipment Services
to collect same.

In order, therefore, to preclude recurrence of accumulating volu-
minous accounts receivable outstanding and to avoid unnecessary time,
efforts and paperworks spent in billing and collection, it is directed
that 15 percent (15%) of EMK funds earmarked for maintenance by Admi-
nistration be retained in the regional offices to cover the rental of
maintenance equipment. This will be in accordance with LOI No. 925 as
implemented by National Budget Circular No. 318, Item No. 1.4.6 "From
the CDC released for the project, rental of equipment utilized in pro-
ject implementation shall be deducted in accordance with the provisions
of existing Public Works Laws, rules and regulations and shall be remit-
ted immediately to the Bureau of Equipment which in turn shall deposit
the same with the National Treasury as General Fund Income pursuant to
PD No. 711. Provided that adjustments shall immediately be made if the
amounts so deducted are in excess of rentals compiled on the basis of
standard rates and actual hours used".

This order shall take effect on 01 January 1990 and any issuance
inconsistent herewith is hereby revoked or modified accordingly.

FIORELLO R. ESTUAR
Secretary