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

297-13 DPW
P-2-88

July 27, 1988

DEPARTMENT ORDER)

No. **55**
Series of 1988
X-X-X-X-X-X-X

SUBJECT: REVISED GUIDELINES FOR THE
PROCESSING OF CONTRACTOR CLAIMS
FOR PAYMENTS RELATIVE TO INFRA-
STRUCTURE PROJECTS IMPLEMENTATION

In line with on-going efforts to improve the frontline services delivery program of the government, the following guidelines on procedures, documentary requirements, and set time frames relative to the processing of advance payment, first payment, progress payment, and final 15% payment in connection with the implementation of infrastructure projects are hereby prescribed to be strictly observed:

A. PROCEDURAL GUIDELINES

1.0 Comptrollership and Financial Management Units (C & FM) Units

- a. Receives and records DV and supporting documents enumerated in Exhibit 2
- b. Reviews financial aspect of the claim/billing
- c. Accomplishes accounting entries in the DV
- d. Certifies availability of funds and correctness of accounting entries
- e. Prepares check
- f. Chief of C & FM initials voucher/check
- g. Transmits voucher/check to approving official

2.0 Signing/Countersigning Officials

- a. Receives and records DV and check
- b. Reviews/approves DV and signs/countersigns check
- c. Transmits signed DV/check to C & FM unit concerned

3.0 Payment Releasing Unit

- a. Receives and records signed DV/check
- b. Releases payment to contractor
- c. Forwards copy of DV and supporting documents to accounting unit
- d. Forwards duplicate copy of billing with stamped/accomplished routing form to internal audit unit

B. TIME FRAME

- 1.0 For advance and progress payments, the time frame set to process voucher, prepare check, including their approval is one (1) day.
- 2.0 For initial and final payments, the time frame set to process voucher, prepare check, including their approval is two (2) days.

C. DOCUMENTARY REQUIREMENTS

- 1.0 The following documents are required for submission by the Contractor to the Implementing Offices before any claim for payment can be processed:
 - a. For processing of 15% Advance Payment
 1. Letter request from the contractor (2 copies)
 2. Verified LC/Bank Draft/Surety Bond callable upon demand by Special Action Committee (SAC)
 - b. For processing of First Payment
 1. Contractor's billing for First Payment (2 copies)

2. Statement of Work Accomplished
 3. Statement of Time Elapsed
 4. Verified Performance Bond
- c. For processing of Progress Payments Covering the First 85% of the Updated/Revised Contract Amount
1. Contractor's billing for Progress Payment (2 copies)
 2. Statement of Work Accomplished
 3. Statement of Time Elapsed
 4. Approved Change Order/Time Extension (if any)
 5. All-Risk Insurance
- d. For processing of Final 15% Payment
1. Contractor's progress/final billing (2 copies)
 2. Certificate of Completion (for final payment only)
 3. Statement of Work Accomplished
 4. Statement of Time Elapsed
 5. Approved Change Order/Time Extension (if any)
 6. DPWH Letter of Acceptance
 7. Inventory and Certificate of Equipment Turn-over
 8. Warranty Bond (for final payment only)
- 2.0 Documentary Requirements for Submission by the Implementing Offices to the Comptrollership and Financial Management Unit Concerned:
- a. Processing of 15% Advance Payment
1. Copy of Approved Contract
 2. Letter request from the contractor
 3. Certification by Implementing Office that all requirements have been complied with (Exhibit 1)
 4. Disbursement Voucher as approved by the Implementing Office

b. Processing of First Payment

1. Copy of Approved Contract
2. Contractor's billing for first payment
3. Certification by Implementing Office that all requirements have been complied with (Exhibit 1)
4. Disbursement Voucher as approved by the Implementing Office

c. Processing of Progress Payments Covering the First 85% of the Updated/Revised Contract Amount

1. Contractor's progress billing
2. Certification by Implementing Office that all requirements have been complied with (Exhibit 1)
3. Disbursement Voucher as approved by the implementing Office

d. Processing of Final 15% Payment

1. Contractor's progress/final billing
2. Certification by Implementing Office that all requirements have been complied with (Exhibit 1)
3. Disbursement Voucher as approved by the Implementing Office

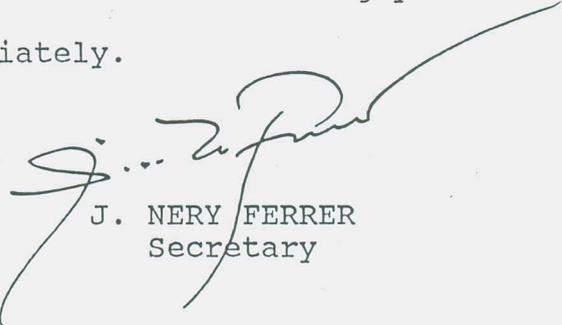
For the purpose of effectively monitoring compliance to these guidelines, the Routing Form herein attached as Exhibit 2, is hereby prescribed to be stamped on two (2) copies of the contractor's claim/billing upon receipt and filled-up by all concerned personnel of the organization units to which it shall be routed. The duplicate copy of the contractor's claim/billing with the stamped/accomplished routing form shall be compiled by the Payment Releasing Unit/Cashier concerned and submitted within two (2) days after the end of each month to the Internal Audit Unit concerned.

All Internal Audit units at the Central, Regional, and District levels are hereby authorized to conduct ocular surveys/inspections relative to the progress/development of the undertaking in office(s) wherein possible setback of the new system may occur. The Internal Audit units shall recommend to the concerned Undersecretary appropriate disciplinary measures to be taken against those who will fail to comply with this Order.

All implementing offices shall cause the dissemination of the salient provisions of this Order to all contractors accredited in their respective registries of contractors.

All orders, circulars and/or memoranda which are inconsistent herewith are hereby modified, amended or revoked accordingly.

This Order shall take effect immediately.



J. NERY FERRER
Secretary

Format of Certification by Implementing Office

(Date)

C E R T I F I C A T I O N

In connection with the implementation of (Name of Project), this is to certify that (Name of Contractor) has submitted all the documentary requirements necessary for the processing of its (Nature of Claim/Billing) in the amount of P_____.

This is to certify further that all requirements and supporting papers pursuant to Department Order No. _____, series of 1988, have been complied with, reviewed and found to be in order.

Name and Signature
Head of Implementing Office

Routing Form to be stamped on Contractor's claim/Billing:

Department of Public Works & Highways Implementing Office				
OFFICE	IN		OUT	
	DATE	TIME	DATE	TIME
Implementing Office				
Accounting				
Cashier				
Signing Authority				
Countersigning Authority				
Cashier				

Nature of Payment:

Advance
 First
 Progress
 Final

Size: 3" x 4"