

Republic of the Philippines
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS
OFFICE OF THE SECRETARY
Manila

897.13 DPWH
02-19-2007

FEB 19 2007

DEPARTMENT ORDER)
No. **12**)
Series of 2007 *02-19-07*)
SUBJECT: **POLICIES AND PROCEDURES IN
THE RELEASE OF FUNDS TO
IMPLEMENTING OFFICES OF THE
DEPARTMENT**

In the interest of the service and in order to streamline and standardize the procedures in the release of funds for Capital Outlay (CO), Infrastructure Right-of-Way (IROW), Engineering and Administrative Overhead (EAO), and Personal Services (PS) and Maintenance and Other Operating Expenses (MOOE), the following policies and procedures are hereby prescribed for the guidance of all concerned.

A. Capital Outlay

1. For funds intended for line-item projects (i.e., projects not needing DBM clearance) that are included in the approved Agency Budget Matrix (ABM) and released thru the Central Office and for Special Allotment Release Orders (SAROs) with specific projects, the Comptrollership and Financial Management Service (CFMS) shall automatically issue within five (5) working days the corresponding Sub-Allotment Advices (SAAs) based on the approved ABM and the SAROs. Henceforth, there will be no need for requests for the release of funds from the concerned Implementing Offices (IOs).
2. For funds intended for projects identified under Lump Sum Allocation (i.e., projects needing DBM clearance), the Director of the Planning Service (PS) shall make the corresponding requests for the release of funds upon receipt of the SAROs to be provided by the CFMS. The CFMS shall then issue the SAAs based on the requests of the PS Director.
3. For funds intended for various projects (Lump Sum with no breakdown of projects), the PS Director shall likewise make the corresponding requests for the release of funds upon receipt of the SAROs from the CFMS. The PS Director shall indicate in the requests the breakdown of projects being funded which shall be recommended by the Assistant Secretary and Undersecretary for Planning and approved by the Secretary. The CFMS shall then issue the corresponding SAA's based on the list of projects approved by the Secretary.

B. Infrastructure Right-of-Way (IROW)

For funds intended for the acquisition of IROW, the Chairman of the IROW Task Force shall submit to the CFMS requests for the release of funds upon

receipt of the corresponding SAROs from CFMS. The requests for release of funds shall indicate the list of validated claimants, which shall be approved by the Secretary. The CFMS shall then issue the corresponding SAAs based on the said list of validated claimants.

C. Engineering and Administrative Overhead Expenses (EAO)

For fund requests charged against the EAO (treated as a "Common Fund"), a Special Budget shall be prepared by the CFMS pursuant to the provisions of D.O. No. 20, series of 2003. The said Special Budget shall be approved by the Secretary as recommended by the Undersecretary who has jurisdiction over CFMS. The Special Budget shall be the basis in the preparation of the corresponding SAAs, certified as to availability of allotment by the Department's Budget Officer.

D. Personal Services (PS) and Maintenance and Other Operating Expenses (MOOE)

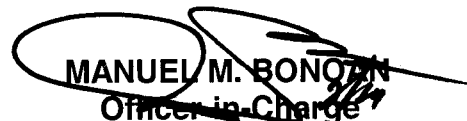
Requests for additional releases for PS and MOOE by the Implementing Offices shall be directly addressed to the CFMS Director who shall evaluate the necessity/ propriety of the requests.

In accordance with existing guidelines, all SAAs shall be signed by the CFMS Director and countersigned by the Undersecretary who has jurisdiction over CFMS.

The CFMS shall submit to the Office of the Secretary, through the Undersecretary who has jurisdiction over CFMS, weekly reports containing the listings of funds received from the DBM and the corresponding SAAs issued to Implementing Offices and monthly reports on the updates of the statements of obligation of funds received and released.

This Order revokes Memorandum dated 29 August 2006 and supersedes all other previous issuances that are inconsistent herewith.

This Order takes effect immediately.


MANUEL M. BONOAN
Officer in Charge



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