



MAR 08 2013

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

097.13 DPWH
03-11-2013

DEPARTMENT ORDER) SUBJECT: GUIDELINES ON THE UTILIZATION
) OF 70% SAVINGS UNDER FY 2013
NO. 27) GENERAL APPROPRIATIONS ACT
MAR 03 03-11-13

In order to rationalize the utilization of the 70% savings under the FY 2013 General Appropriations Act, the following guidelines are hereby prescribed for the guidance of all concerned:

1. Savings referred in this Order shall refer to the amount realized from projects funded under the DPWH Capital Outlay Budget for FY 2013 as a result of value engineering and competitive bidding processes.
2. Total savings shall be computed as follows:

$$\text{Total Savings} = \sum \{ (\text{Appropriation Amount}) - [(\text{Contract Amount}) + (\text{Engineering Administrative and Overhead Cost}) + (\text{Right-of-Way Acquisition Cost, if any})] \}$$

3. The seventy percent (70%) savings can be used to fund any of the following:

3.1 A new project, provided that said project is:

- 3.1.1 of the same category;
- 3.1.2 within the same congressional district; and
- 3.1.3 to be implemented by the same implementing office.

3.2 Additional scope of work not included in the original program of work.

3.3 Preliminary and detailed engineering activity specific to a project.

- 4 Requests to utilize the 70% savings for above stated reason/s shall be supported by justification/rationale, program of work, BP 202, certification that the original scope of work is completed and a certificate of availability of funds (savings) signed by the Regional Director/District Engineer which shall not be more than two (2) months old at the time the request is submitted.

- 5 Requests to utilize the 30% savings under the FY 2013 GAA shall be covered by a separate Department Order.
- 6 Requests for utilization of savings shall be approved by the DPWH Secretary.
- 7 Regional Directors/District Engineers shall be directly responsible for the proper and optimal use of savings.
- 8 In all cases, DPWH standard unit costs as prescribed under D.O. No. 72 on the "Revised Guidelines in the Preparation of ABC for Contract" dated October 05, 2012 shall be adopted unless otherwise amended.

This Department Order shall take effect immediately.


ROGELIO L. SINGSON
Secretary

Department of Public Works and Highways
Office of the Secretary

