



Republika ng Pilipinas
KAGAWARAN NG PAGAWAIN AT LANSANGANG PAMBAYAN
TANGGAPAN NG KALIHIM

Maynila

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DEPARTMENT ORDER

NO. **300**
Series of 2002 *11-04-2002*

SUBJECT: REIMBURSEMENT OF
EXPENSES FOR
EMERGENCY REPAIR OF
VEHICLES

In line with the Department's current reform efforts in streamlining and strengthening of policies and procedures, the following policies and procedures are to be strictly enforced for all reimbursements of vehicle expenditures for emergency purchases.

A. Emergency Repairs

1. Emergency purchases for the repair of service vehicles shall only be allowed where the need is exceptionally urgent or absolutely indispensable to prevent immediate danger to, or loss of, life and/or property, or avoid detriment to the public service as certified by the end user and approved by the head of the office concerned. End user refers to the responsible officer or employee who was issued such motor vehicle under a Memorandum Receipt.
2. Emergency purchases for vehicles are only allowed for minor repairs that are required because a vehicle becomes non-operational due to fair wear and tear. This includes replacement of defective parts and/or repair or overhaul in the power train, axle and suspension, steering, cooling system, brake system, electrical, and/or air conditioning system.
3. Maintenance of vehicles is not considered an emergency and shall not be allowed as emergency purchases. Maintenance includes, but is not limited to engine tune-ups including replacement of spark plugs, contact points, condensers, filters, oil changes, alignments.
4. Emergency purchases for vehicles are not allowed for major repairs. Major repairs are defined as repairs over P10,000.
5. Emergency purchases are not allowed for any body repair, repainting, re-upholstery of the interior, and accessories of the vehicle
6. Emergency purchases are not allowed for stocking spare parts. Spare parts are defined as parts that are kept for future use, and not needed for immediate implementation.

B. Supporting Documents Required for Emergency Purchases

The following documents must be attached to all Disbursement Vouchers as supporting documents for all emergency purchases for vehicle repair. It is the responsibility of the end user to ensure that these supporting documents are properly attached.

1. Certification of Emergency Purchase
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2. Certification that the Vehicle is included in the Departments Inventory of Vehicles.
3. Job Order
4. Inspection and Acceptance Report
5. Purchase Request
6. Abstract of Open Canvass
7. Certification of the Availability of Budgets to be Utilized
8. History of Vehicle Repair

Attached as Annex A are the supporting documents that must be utilized for emergency purchases.

C. Certification of Emergency Purchases

1. The Certification of Emergency Purchases must originate from the end-user assigned the vehicle, and must be approved by the head of the office concerned. There shall be no exceptions to this.

D. Certification that the Vehicle is included in the Departments Inventory of Vehicles

1. Only expenses for emergency repair of vehicles that are included in the Departments Inventory of Vehicles shall be allowed for reimbursement. The Departments Inventory of Vehicles is to be maintained by the Central Equipment and Spare Parts Division (CESPD), Bureau of Equipment (BOE). The vehicle must have been assigned a corresponding H1 property number with LTO Registration under DPWH ownership, and with an updated Memorandum Receipt (MR). This certification must be executed by the Chief of CESPD, BOE, and approved by the Director of the BOE.

E. Job Order

1. All emergency purchases of vehicle repairs must have a job order. The job order must include the repairs that were accomplished including the list of defective parts / components. The job order is to be requested by the end user as soon as practical after the repair was accomplished. The Motorpool Section of BOE shall conduct the inspection, and the Chief of CESPD, BOE shall recommend approval, and the Director of BOE shall approve it.
2. The Chief of CESPD shall certify that the repair is needed, the repair was performed, there is no duplication of scope of repair, and that there is no splitting of repairs to circumvent the maximum amount allowed.

F. Inspection and Acceptance Report

1. The Inspection and Acceptance Report shall be prepared by the Chief of CESPD, BOE and approved by the Director of the BOE. The Acceptance shall

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be signed by the end-user. The Certification of Acceptance shall signify that the repairs were made and that the end-user finds the repairs acceptable.

G. Purchase Request

1. The Purchase Request shall be prepared and signed by the end-user, and approved by the head of the office concerned.

H. Abstract of Canvass

1. For every emergency purchase, Supply and Property Management Division (SPMD), Administrative and Manpower Management Service (AMMS) shall randomly select at least three suppliers from the Registry of Suppliers for verifying the reasonableness of the price of the repairs that were performed. SPMD shall ensure that eligible Suppliers have been properly pre-qualified and entered into the Registry of Suppliers.
2. The Abstract of Open Canvass shall be duly signed by the Supply Officer, Canvasser, Procurement Officer, and end user, and approved by the Chief of SPMD and corresponding written quotations for the reimbursement of emergency purchases shall be duly signed by the Supply Officer, Canvasser, and the Procurement Officer concerned.

I. Certification of the Availability of Budget to be Utilized

1. The head of the office of the concerned end-user shall prepare and sign the Certification of the Availability of Budget to be Utilized. This shall certify that funds to be utilized are available in the approved budget for emergency purchase, and that the expenditure is within the prescribed limits.

J. History of Vehicle Repair

1. Each office is to maintain a detailed history record of all repairs performed for each vehicle it is assigned. The history record is to include the description of the vehicle (including the make, model, year, color, and serial numbers), H1 property number, LTO registration number, person assigned to the vehicle, and date assigned. All vehicle repairs are to be included in this record. Each vehicle repair is to include the date the repair was performed, the Supplier who performed the repair, the detailed information of the repair performed, and the amount of the repair.
2. A certified true copy of this history record shall be attached to the Disbursement Voucher as supporting documents. This is to be certified correct by the end-user.
3. In the event that a vehicle is transferred to a different Implementing Office, the history of repair is to also be transferred to the receiving Implementing Office.

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K. Limits of Emergency Purchases

1. The maximum amount allowed for emergency purchases shall be P10,000 per transaction.
2. Splitting of repair works to circumvent this limit is strictly prohibited. Any repair over P10,000 shall not be considered an emergency purchase.

L. Establishment of Budgets for Emergency Purchases of Vehicles

1. All Bureaus, Services, Project Management Offices (PMO), Regional Offices, and District Offices must annually establish separate budgets for emergency repair of vehicles from the line item for supplies and materials out of the appropriated MOOE of the Department allocated for the organizational unit.
2. All budgets must be within the monthly amount not exceeding four percent (4%) of the line item for supplies and materials out of the appropriated MOOE of the Department allocated for the organizational unit, unless otherwise approved by the Secretary.
3. The Secretary must approve all budgets for emergency purchases.

M. Processing of Disbursement Voucher

1. A corresponding ALOBS form that is approved by the head of the office concerned must accompany all Disbursement Vouchers. CFMS is responsible for ensuring this ALOBS is properly accomplished and approved.
2. The Disbursement Voucher for all emergency purchases must be prepared by the end-user, and must be approved by the head of the office concerned.
3. All payments for reimbursement shall only be made in the form of a Check, and must be paid in the name of the end-user. The end-user is the only person allowed to receive the check from the cashier and allowed to en-cash the check.

N. Monitoring of Emergency Purchases

1. The head of the office concerned shall be responsible for the monitoring of emergency purchases for vehicle repairs of their respective offices.
2. The CFMS shall be responsible for ensuring that all supporting documents have been properly prepared and attached to the Disbursement Voucher before the payment is processed. The CFMS shall return to the Implementing Office concerned for correction the Disbursement Voucher if the appropriate supporting documents are not attached, or are not properly prepared.
3. Internal Audit Service shall conduct periodic monitoring of the process to determine if all Offices are strictly adhering to this Department Order. This monitoring is to occur at least annually, or more frequently if Internal Audit

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Service determines it necessary. Internal Audit Service shall submit a report to the Secretary annually of the monitoring conducted.

O. Applicability of Department Order

1. This Department Order is applicable to all vehicle expenditures of emergency purchases, there shall be no exceptions. This includes the Central Office, Project Management Offices, Regional Offices, Regional Equipment Services, District Offices, and Sub-District Offices.

P. Penalty Clause

1. Any violation of these policies and procedures shall subject the erring employee or official to immediate sanctions that shall include suspension and/or dismissal at the discretion of the Department.

This Order shall take effect immediately and supersede all previous Department Orders and other issuances or any provision thereof that are inconsistent herewith.


SIMEON A. DATUMANONG
Secretary