

Republika ng Pilipinas  
PAMBANSANG PANGASIWAAN NG PATUBIG  
(National Irrigation Administration)  
Lungsod ng Quezon

MC # 001 s. 1987

MEMORANDUM CIRCULAR

TO : The Assistant Administrators; Heads of Departments/Staffs; Heads of Foreign-Assisted Projects; Regional Irrigation Managers; UPRIIS/MARIIS Managers; Provincial/Project Irrigation Engineers; Irrigation Superintendents; Corporate Auditor, Regional/Project Auditors; Regional/Project Accountants; Cashiers and all others concerned.  
National Irrigation Administration

SUBJECT : NATIONAL BUDGET CIRCULAR NO. 385 DATED NOVEMBER 12, 1986 FOR THE IMPLEMENTATION OF EXECUTIVE ORDER NO. 53 DATED OCTOBER 29, 1986 ENTITLED "INCREASING THE AMOUNT OF TRAVELING ALLOWANCES OF GOVERNMENT OFFICIALS AND EMPLOYEES INCLUDING LOCAL GOVERNMENT UNITS AND GOVERNMENT-OWNED AND/OR CONTROLLED CORPORATIONS WHEN ON OFFICIAL TRAVEL WITHIN THE PHILIPPINES".

Quoted hereunder in full is National Budget Circular No. 385 dated November 12, 1986 issued by the Commission on Audit and Ministry of Budget and Management, implementing the guidelines of Executive Order No. 53 dated October 29, 1986, for the information and guidance of all concerned:

" Republic of the Philippines  
MINISTRY OF BUDGET AND MANAGEMENT  
COMMISSION ON AUDIT

NATIONAL BUDGET CIRCULAR NO. 385

November 12, 1986

TO : ALL HEADS OF MINISTRIES, BUREAUS, OFFICES AND AGENCIES OF THE NATIONAL GOVERNMENT, SELF GOVERNING BOARDS AND COMMISSIONS, STATE UNIVERSITIES AND COLLEGES; MANAGING HEADS OF GOVERNMENT OWNED AND/OR CONTROLLED CORPORATIONS; PROVINCIAL GOVERNORS, CITY AND MUNICIPAL MAYORS; COA MANAGERS/REGIONAL DIRECTORS, AND HEADS OF COA AUDITING UNITS; AND ALL OTHERS CONCERNED.

SUBJECT: IMPLEMENTING GUIDELINES OF EXECUTIVE ORDER NO. 53 DATED OCTOBER 29, 1986 ENTITLED "INCREASING THE AMOUNT OF TRAVELING ALLOWANCES OF GOVERNMENT OFFICIALS AND EMPLOYEES INCLUDING LOCAL GOVERNMENT UNITS AND GOVERNMENT OWNED AND/OR CONTROLLED CORPORATIONS WHEN ON OFFICIAL TRAVEL WITHIN THE PHILIPPINES"

1.0 PURPOSE

This Circular is issued to provide the necessary rules and regulations for the implementation of Executive Order No. 53 dated October 29, 1986 entitled "Increasing the Amount of Traveling Allowances of Government Officials and Employees Including Local Government Units and Government Owned and/or Controlled Corporations When on Official Travel Within the Philippines".

2.0 COVERAGE AND PROHIBITION FROM ADDITIONAL TRAVEL EVOLUMENTS

2.1 The provisions of Executive Order No. 53, s. 1986 shall apply

to officers and employees of the national and local governments, as well as those of government corporations, self-governing boards, agencies, and commissions, who are on official travel within the Philippines.

- 2.2 No additional emoluments in the nature of per diems or traveling expenses within the country may be authorized by any governing board or government owned and/or controlled corporation including financial institutions.

### 3.0 DEFINITION OF TERMS

For purposes of this Circular, the following terms shall be construed to mean as follows:

- 3.1 Permanent Official Station shall mean the place where the office or regular place of business/work of the officer or employee concerned is permanently located. Agency heads shall specify in writing the permanent official station of personnel assigned to regional/field offices, branches, or units in localities away from the central office of their respective agencies.
- 3.2 Senior Management Positions and equivalent shall include the following:
- a) National Government Agencies. Assistant Ministers, Bureau Directors, Assistant Bureau Directors, Regional Directors, Assistant Regional Directors, Ministry Service Chiefs; and other positions of equivalent rank.
  - b) Government Corporations. Heads, Assistant Heads, Regional Directors, Chiefs of Departments and other positions of equivalent rank.
  - c) Local Government Units. Governors, City Mayors, Municipal Mayors, Vice Governors, City Vice Mayors, Municipal Vice-Mayors,
- 3.3 Middle Management Positions and equivalent shall include the following:
- a) National Government Agencies. Chiefs of Divisions, and other positions of equivalent rank.
  - b) Government Corporations. Chiefs of Divisions, and other positions of equivalent rank.
  - c) Local Government Units. Members of Sanggunians, Chiefs of departments/offices, Assistant Chiefs of departments/offices, Chiefs of divisions.
- 3.4 Highly Urbanized Cities refers to Metro Manila (Manila, Quezon City, Caloocan City, Pasay City, Makati, Mandaluyong, San Juan, Pasig, Parañaque, Marikina, Las Piñas, Muntinlupa, Pateros, Taguig, Malabon, Navotas, Valenzuela); Baguio City; Olongapo City; Dacolor City; Iloilo City; Cebu City; Zamboanga City; Butuan City; Cagayan de Oro City; Davao City; and Iligan City.
- 3.5 Other Chartered Cities refers to chartered cities not included in the above enumeration.

### 4.0 ALLOWABLE TRAVEL EXPENSES

Sections 1 and 2 of Executive Order No. 53 authorize the payment of: (a) traveling allowances, and (b) actual transportation fares. No other item of travel expenditure shall therefore be allowed under this Circular.

## 5.0 TRAVELING ALLOWANCE

- 5.1 The traveling allowance of government officials and employees shall be inclusive of per diems, daily allowances, incidental transportation, and other related expenses while in the field. The allowable rates of daily traveling allowance shall be as follows:

		<u>Rate of Allowance</u>		
		<u>Metro Manila and other highly urbanized cities</u>	<u>Other Chartered Cities</u>	<u>Places other than Cities</u>
<u>Group I</u>	Senior Management Positions and equivalent			
	First five days	P100.00	P 90.00	P 80.00
	After five days	80.00	80.00	80.00
<u>Group II</u>	Middle Management Positions and equivalent			
	First five days	P 90.00	P 80.00	P 70.00
	After five days	70.00	70.00	70.00
<u>Group III</u>	All other national, government corporation and local government employees			
	First five days	P 80.00	P 70.00	P 60.00
	After five days	60.00	60.00	60.00

- 5.2 A full traveling allowances shall be allowed only in cases of absence from the permanent official station on official business for one full day.

- 5.3 In cases where such absence is for less than a full day, only the corresponding fractional part of the allowance shall be allowed. For this purpose, a traveling allowance shall be divided equally into four units corresponding to breakfast, lunch, dinner, and lodging. Each of these units shall be determine in accordance with the following rules:

<u>Breakfast</u>	When leaving the permanent official station before or returning thereto after 7:00 a.m.
<u>Lunch</u>	When leaving the permanent official station before or returning thereto after 12:00 noon.
<u>Dinner</u>	When leaving the permanent official station before or returning thereto after 7:00 p.m.
<u>Lodging</u>	When leaving the permanent official station before or returning thereto after 12:00 midnight.

- 5.4 The allowance prescribed in this Section, or the corresponding Units thereof shall not, however, be allowed in cases where the fare paid for transportation includes meals and quarters enroute, or where meals and lodging are paid for or furnished by the government.

## 6.0 TRANSPORTATION

- 6.1 Ministry heads, or equivalent positions shall determine the mode and class of transportation to be taken which shall be the most advantageous to the government from the standpoint of economy and efficiency.
- 6.2 As a general rule, only the ordinary public conveyances or customary modes of transportation shall be used. The use of taxis and chartered trips or special hires of PUs, garage cars, launches, motorboats, sailboats, bancas and other extraordinary means of transportation shall not be allowed unless justified by the prevailing circumstances.
- 6.3 The amount of transportation allowable shall be the actual fare at the prevailing rates of the authorized transportation from the permanent official station to the destination or place of work or assignment in the field and back, plus other expenses, such as transportation and portage from office or residence to points of embarkation and from points of debarkation to office or temporary residence in the place of assignment in the field and return. It shall not include local transportation and other expenses after arrival in the office or temporary residence in the place of assignments in the field which are contemplated to be covered by the traveling allowance defined in Section 5 hereof.
- 6.4 In cases where government vehicles are used in the travel, the officials and employees concerned are not entitled to the actual transportation fare.
- 6.5 Under no circumstances should fuel be issued to privately-owned motor vehicles. No reimbursement for the cost of gasoline and oil shall be allowed where a private vehicle is used; however, the officials and employees concerned shall be entitled to the reimbursement of the equivalent cost of the customary mode of transportation.

## 7.0 LIMITATION

- 7.1 The following officials and employees shall not be entitled to the authorized traveling allowances:
  - a) Officials and employees whose permanent official station is within Metropolitan Manila Area and are authorized to travel to places within this area; and
  - b) Officials and employees whose permanent official station is in places other than Metropolitan Manila Area and are authorized to travel in places within the city/town wherein their official station is located.
- 7.2 These officials and employees shall, however, be allowed reimbursement of actual fare at the prevailing rates of transportation from permanent official station to the destination and back, and the authorized cost of meal allowance duly supported by receipts.

## 8.0 BUDGETARY ALLOCATION

- 8.1 For CY 1986, ministries/agencies, government corporations and local government units shall live within their appropriated budget for travel; hence, there shall be no increase in their appropriation for the purpose.
- 8.2 For CY 1987, the total amount to be appropriated for travel allowance, exclusive of actual transportation cost such as

plane/boat/bus fares, shall be based on the exigencies of the service and on the actual travel needs of the ministries/agencies, government corporations and local government units as shown in their actual expenditures incurred in the preceding year.

#### 9.0 MANNER OF PAYMENT

- 9.1 Before starting on an official trip, the officer or employee concerned shall prepare a detailed itinerary on the form shown in Appendix "A" hereof. The itinerary shall in all cases be approved by the agency head or his duly authorized representative.
- 9.2 In the case of national government agencies, where the travel will last more than a month but not exceeding three months, it shall be further approved by the Ministry Head concerned. However, if the duration of the travel exceeds a three months, it shall be further approved by the President or the official to whom the authority has been delegated.
- 9.3 The Itinerary of Travel shall be serially numbered and prepared in triplicate. The original shall be attached to the corresponding payment voucher where the payment of the expenses is made. The duplicate copy shall be kept in a central file in the head office of the agency and the triplicate copy shall be retained by the officer or employee concerned.
- 9.4 However, in cases of employees of agencies with fully decentralized field offices in the Regions maintaining complete cash, accounting and auditing services, the copy of the Itinerary of Travel intended for the central file in the head office of the agency shall be retained in the local file.
- 9.5 The traveling expenses, if no transportation is provided by the Government, shall be determined on the basis of the previously approved itinerary and paid to the officer or employee in advance of the trip.
- 9.6 Payments made in accordance with this Circular shall not be construed as cash advances but as direct charges to the appropriations or allotments. Consequently, the grant of all forms of cash advances for travel is prohibited.

#### 10.0 ADJUSTMENTS

- 10.1 Where a trip is cancelled, the amount paid in advance if any, shall be refunded in full. In cases where the trip is cut short or terminated in advance of the itinerary, the excess payment shall likewise be refunded. These refunds shall be made immediately upon cancellation or termination of the trip and it shall be the primary duty of the agency heads to see to it that such refunds are enforced promptly.
- 10.2 When a trip exceeds the approved itinerary, the additional traveling allowances due shall be paid upon satisfaction of the following requirements:
  - 10.2.1 The officer or employee concerned shall submit a written justification satisfactory to the agency head and an additional itinerary for the overstay in the field or extension of the trip.
  - 10.2.2 Where the whole travel exceeds 30 days, approval of the Higher Authorities concerned shall first be secured before the additional payment shall be made.

## 11.0 SAFEGUARDS

11.1 It shall be the responsibility of the agency head to see to it that the privileges granted by E.O. No. 53 as implemented by this Circular are not abused. As an aid to them in discharging this responsibility, the following minimum requirements shall be strictly observed:

11.1.1 The officer or employee concerned shall as usual secure the customary "certificate of appearance" if practicable, or equivalent evidence of the trip, and preserve the used ticket for the transportation availed of in accordance with Section 6 of this Circular. These documents shall be submitted immediately upon completion of the trip to the supervisor concerned who shall invalidate them with any appropriate notation to preclude their subsequent use.

11.1.2 Upon completion of the trip, the officer or employee concerned and his immediate supervisor shall accomplish the Certificate of Travel Complete in Appendix "3" hereof. This certificate together with the certificate of appearance or equivalent and the used transportation tickets shall be attached to the corresponding payment voucher to be submitted to the auditor.

11.2 To supplement these uniform precautionary measures, each agency shall develop its own rules and regulations designed to provide such additional safeguards as are best suited to each particular conditions. These supplementary rules and regulations shall be circularized within the agency concerned and a copy thereof furnished the Chairman, Commission on Audit for his information and evaluation.

## 12.0 AVAILABILITY OF FUND

The expenses authorized herein shall be subject to availability of funds duly released/approved for the purpose.

## 13.0 AUDIT

13.1 National, corporate, provincial, city and municipal auditors shall, in addition to other established audit procedures, observe additional steps in the post audit of traveling expense vouchers designed to enforce faithful compliance with the provisions of this Circular.

13.2 The requirements in Section 11.1.1 and 11.1.2 hereof, for the submission of the customary certificate of appearance, used transportation tickets and the certificate of travel upon completion of the trip, are intended to provide minimum evidences of the actual travel. Unless these requirements are complied with, the corresponding voucher shall not be allowed in post audit and the burden of proof shall be upon the employee concerned to show by the production of other documentary evidence satisfactory to the Auditor, that the travel was actually made. A voucher thus suspended in post audit shall become a disallowance after 90 days in accordance with Section 32 of Presidential Decree No. 1445. Excess payments shall become immediately due and demandable from the officer or employee concerned, and the provisions of Section 37 of Presidential Decree No. 1445 may be resorted to, if necessary.

## 14.0 REPEALING PROVISIONS

This Circular supersedes General Circular No. 127 dated

November 27, 1973 and repeals, amends, modifies all other rules and regulations of the Commission on Audit and the Ministry of Budget and Management or portions thereof that are inconsistent herewith.

15.0 EFFECTIVITY

This Circular shall take effect on November 1, 1986.

(SGD.) ALBERTO G. ROMULO  
Minister

Ministry of Budget and Management

(SGD.) TEOFISTO T. GUINGONA, JR.  
Chairman

Commission on Audit

Compliance by all concerned is hereby enjoined.

PPG/vcm

(SGD.) FEDERICO N. ALDAY, JR.  
Administrator

January 8, 1987

## APPENDIX A

AGENCY

Date \_\_\_\_\_

### ITINERARY OF TRAVEL

Name \_\_\_\_\_

Position	Monthly Salary
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Official Station \_\_\_\_\_

Purpose of Travel \_\_\_\_\_

[illegible]

TO TAL

(2) I certify that: (1) I have reviewed the foregoing itinerary. (2) The travel is necessary to the service. (3) The period covered is reasonable. (4) The expenses claimed are proper.

(1) Prepared by:

(Official/Emplc

(3) APPROVED:

(Supervisor)

(Chief of Office.



\_\_\_\_\_  
(AGENCY)

CERTIFICATE OF TRAVEL COMPLETED

\_\_\_\_\_  
Agency Head.

\_\_\_\_\_  
Station

\_\_\_\_\_  
Date

I CERTIFY THAT I have completed the travel authorized in Itinerary of Travel No. \_\_\_\_\_, dated \_\_\_\_\_, under conditions indicated below:

_____	Strictly in accordance with the approved itinerary.
_____	Cut short as explained below. Excess payment in the amount of P_____ was refunded on O.R. No. _____, dated _____
_____	Extended as explained below, Additional itinerary was submitted.
_____	Other deviation as explained below.

Explanations or justifications: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Evidences of travel attached hereto: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Respectfully submitted:

\_\_\_\_\_  
(Officer or Employee)

On evidence and information of which I have Knowledge, the travel was actually undertaken.

\_\_\_\_\_  
Supervisor