



Republic of the Philippines
Department of Environment and Natural Resources
Visayas Avenue, Diliman, Quezon City
Tel Nos. (632) 929-66-26 to 29 • (632) 929-62-52
929-66-20 • 929-66-33 to 35
929-70-41 to 43

MEMORANDUM CIRCULAR

No. 2003 - 06

SUBJECT : GUIDELINES ON REIMBURSEMENT OF EXPENDITURES

DATE : APR 08 2003

Pursuant to the provisions of the General Appropriations Act, Executive Order No. 40 and its implementing Rules and Regulations, Government Accounting and Auditing Manual, and in view of the COA Annual Audit Report for CY 2001, the following guidelines on reimbursement of expenditures are hereby promulgated:

1. Payment of reimbursement for the following expenses shall be allowed:
 - a. Representation and transportation expenses, subject to the provisions of Section 40 of the General Appropriations Act (GAA).
 - b. Extraordinary and miscellaneous expenses, subject to the provisions of Section 23 of the GAA.
 - c. Traveling expenses, subject to the provisions of Executive Order Nos. 248 and 248-A, both Series of 1995
 - d. Legal expenses incurred by public officers and employees acting in good faith may be indemnified for such expenses brought against them for acts committed in the performance of official duties, subject to the provisions of Section 416 of the Government Accounting and Auditing Manual (GAAM), Volume I, and COA-LAO-N-017 dated 06 February 2003.
2. The implementation of any project shall be in accordance with the approved Agency Procurement Management Plan (APMP). However, procurement that is urgently needed to prevent imminent danger to, or loss of life or property, may proceed independently of the procurement plan if and when this special need is required as determined by the Head of Agency. Provided, that the existing procedures for such situations requiring economy, efficiency, transparency and fair competition are allowed to the extent possible.
3. All offices may designate their respective Petty Cash Fund Custodian who shall handle petty cash fund for emergency purchases of office supplies and materials, and minor repair of equipment.
4. The accountable officer may request for replenishment of the Cash Advance when the disbursement has reached at least 75% or as the need

requires, by submitting a replenishment voucher with all the supporting documents duly summarized in a report of disbursement.

5. Payments out of the cash advance shall be allowed only for amounts not exceeding P15,000.00 for each transaction, except when a higher amount is allowed by Law and/or specific authority by the COA. Splitting of transactions to avoid exceeding the ceiling shall not be allowed.

Memorandum dated 07 September 2001, Amendment to the Guidelines on the Reimbursement of Expenditures, is hereby revoked as well as other issuances inconsistent with this Order.

Furthermore, all provisions of the Implementing Rules and Regulations of Executive Order No. 40 such as procurement through DBM-Electronic Procurement System (EPS), are hereby directed to be strictly implemented.

This Order takes effect immediately.


ELISEA "BEBET" G. GOZUN
Secretary