



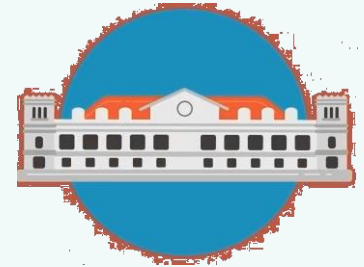
# *Travel Allowances and Expenses for Official Local and Foreign Travels of Government Personnel*

**Assistant Secretary Myrna S. Chua**  
**Department of Budget and Management**

# President's Authority to Set Travel Rates

## **EO No. 292, Administrative Code of 1987**

(Section 72, Chapter 7, Book VI)



- **The rates of per diem and other allowances for official travel shall be determined by the President**
- **The rates may be changed from time to time upon recommendation of the Travel Rates Committee (TRC)**

# President's Authority to Set Travel Rates

## EO No. 292, Administrative Code of 1987

(Section 72, Chapter 7, Book VI)

- **The TRC is composed of the Secretary of Budget as Chairman and the Secretary of Foreign Affairs, the Secretary of Tourism and the Chairman, Commission on Audit, or their representatives, as members**



# EO No. 77

## **EO No. 77 issued on March 15, 2019:**

- **Consolidates, updates and rationalizes the rules and regulations and rates of travel expenses under the category of conferences, special missions and other non-study trips**
- **Repeals EO Nos. 248, 248-A, 298, and 459**
- **Modifies MC No. 35 and other related Presidential issuances**

# Coverage

EO No. 77 dated March 15, 2019

## **Official local and foreign travels of personnel in the:**

- ✓ **Executive Department, including SUCs, GOCCs, and GFIs**
- ✓ **Congress of the Philippines**
- ✓ **Judiciary**
- ✓ **Constitutional Commissions**
- ✓ **Office of the Ombudsman**
- ✓ **LGUs**



# Authorized Official Travel

**Official local and foreign travels should meet the following criteria:**

- ✓ **Essential to effective performance of mandates and functions**
- ✓ **Is required to meet the needs of the agency**
- ✓ **The presence of the official/employee is critical to the outcome of the conference, seminar or similar activity**
- ✓ **Expenses are not excessive**

# Travel Beyond 50-Km Radius

## **Allowable Expenses:**

- **Transportation and Miscellaneous Expenses from the permanent official station to the destination (Transportation expense not allowed if government vehicle is used)**
- **Daily Travel Expenses (DTE)**

# Daily Travel Expenses (DTE)

Section 5(b)(i) of EO Np. 77

## Maximum allowable DTE

Destination				Maximum DTE
<b>Cluster I</b>	Region I	Region V	Region XII	<b>P1,500</b>
	Region II	Region VIII	Region XIII	
	Region III	Region IX	ARMM	
<b>Cluster II</b>	CAR	Region VII	Region XI	<b>P1,800</b>
	Region VI	Region X		
<b>Cluster III</b>	NCR	Region IV-A	Region IV-B	<b>P2,200</b>



# Apportioned Travel Expenses

## Section 5(c)

- ❖ **The allowable DTE shall be based on the following apportionment:**

Particulars	Percentage	To Cover
Day of arrival at destination (regardless of time) and succeeding day/s	100%	Hotel/Lodging (50%) Meals (30%) Incidental Expenses (20%)
Day of departure for official station (regardless of time) if other than date of arrival	50%	Meals (30%) Incidental Expenses (20%)

# Travel Expenses in Excess of Authorized Rates

## Section 5(c)

Claims for reimbursement of actual accommodation expenses in excess of the accommodation component of the DTE (50%) may be allowed; the difference not to exceed 100% of such component, and only upon:

- Submission of certification by the agency head as absolutely necessary**
- Presentation of bills and receipts. A certification or affidavit of loss shall not be considered as appropriate replacement for lost bills and receipts**

# Travel Within 50-Km Radius

## **Allowable expenses:**

- **Actual transportation expenses**
- **DTE provided the personnel stays in the place of assignment and does not commute daily to and from residence and place of assignment**
- **Claim for hotel expense shall be substantiated by a bill or invoice.**



# **OFFICIAL FOREIGN TRAVEL OF GOVERNMENT PERSONNEL**

PAGBA 2019 3rd Quarter Seminar  
L'Fisher Hotel, Bacolod City August 28-31, 2019

# Pre-departure Expenses

## Section 11(a)

- **Pre-departure expenses not exceeding **P3,500** to cover miscellaneous expenses for taxi, passport processing, immunization and medical laboratory fees, photographs, portorage, airport terminal fees, etc.**



# Transportation Expenses



## Section 12

- ❖ **If not provided by a sponsor, transportation expenses is allowed for the economy class (does not include premium economy class)**
- ❖ **For long haul trips (more than 4 hours, without counting lay-overs) of Secretaries, Undersecretaries and Assistant Secretaries, business class may be allowed, subject to OP approval**

# Clothing Allowance

## Section 13(a)

**Foreign travel for more than one month to tropical or temperate countries coinciding with the summer and spring seasons**

<b>Duration</b>	<b>Rate</b>
<b>More than 1 month but less than 3 months</b>	<b>US\$200</b>
<b>3 Months and more but less than 6 months</b>	<b>US\$300</b>
<b>6 months and more</b>	<b>US\$400</b>

# Clothing Allowance

## Section 13(b)

**Foreign travel to temperate countries coinciding with the autumn or winter seasons**

<b>Duration</b>	<b>Rate</b>
<b>2 weeks or less</b>	<b>US\$200</b>
<b>More than 2 weeks but less than 1 month</b>	<b>US\$300</b>
<b>1 month or more</b>	<b>US\$400</b>



# Clothing Allowance

## Section 13(e)

- ❖ **The clothing allowance may be granted more than once in every 24 months.**
- ❖ **Total clothing allowance shall not exceed US\$400 within a 24-month period.**



# Daily Subsistence Allowance (DSA)

## Section 14(a)

- ❖ **DSA shall be based on the daily rates established by the International Civil Service Commission of the United Nations.**
- ❖ **If destination is not listed therein, the DSA for the nearest country shall be adopted.**
- ❖ **If city of destination is not listed therein, the “elsewhere” rate for the country shall be adopted.**

# Daily Subsistence Allowance (DSA)

## Section 14(b)

❖ **The DSA shall be apportioned as follows:**

Particulars	Percentage	To Cover
Day of arrival at destination (regardless of time) and succeeding day/s	100%	Hotel/Lodging (50%) Meals (30%) Incidental Expenses (20%)
Day of departure for official station (regardless of time) if other than date of arrival	50%	Meals (30%) Incidental Expenses (20%)

# Daily Subsistence Allowance (DSA)

## Section 14(c), (d)

- ❖ **If hotel/lodging, meals and incidental expenses are provided by host country or donor institution, DSA shall not be allowed.**
- ❖ **Claims for DSA under Section 14(a) and (b) shall not require presentation of bills and receipts**

# Daily Subsistence Allowance (DSA)

## Section 14(e)

- ❖ **Subject to the approval of appropriate authorities, claims for reimbursement of actual accommodation expenses in excess of the accommodation component of DSA may be allowed, but not to exceed 30% of such component of DSA**



# Daily Subsistence Allowance (DSA)

## Section 14(e)

### Reimbursement of actual expenses:

- ❖ **Only upon certification by agency head as absolutely necessary, and presentation of bills and receipts**
- ❖ **Affidavit of loss not considered appropriate replacement for receipts/bills**



# Reimbursement of Representation Expenses

## Section 16(a)

- **Reimbursement of actual representation expenses not exceeding the prescribed rates, subject to approval of authorities, based on justifications presented and presentation of bills and receipts**
- **May be allowed for officials authorized to attend conferences or meetings, or undertake official missions or assignments in the exigency of the service**

# Reimbursement of Representation Expenses

<b>Particulars</b>	<b>Representation Rates</b>
<b>Cabinet Members and those of equivalent rank</b>	<b>US \$1,000</b>
<b>Department Undersecretaries and those of equivalent rank, if designated as head of delegation</b>	<b>US \$700</b>
<b>Department Assistant Secretaries and those of equivalent rank, if designated as head of delegation</b>	<b>US \$500</b>
<b>Positions lower than Assistant Secretary level, if designated as head of delegation</b>	<b>US \$300</b>



# Reimbursement of Representation Expenses

## Section 16(a), (b)

- **Such expenses may cover necessary entertainment, contributions, flowers, wreaths, and the like, when justified by circumstances and in conformity with generally accepted customs, and practices**
- **Officials on travel abroad for speaking engagements, or for scholarships, fellowships, trainings, workshops and studies, or whose travels are fully funded by donors or sponsoring organizations, shall not be allowed reimbursement of representation expenses**

# Insurance

## Section 18

- **Personnel on foreign travel pursuant to EO No. 77 may be entitled to travel insurance at the minimum amount required by the country of destination, or a travel coverage of P500,000 if there is no minimum coverage set by a country**



# Miscellaneous Provisions

## Section 19

- **All forms of travel junkets are strictly prohibited.**
- **Strategic planning workshops or team building activities abroad are not allowed.**
- **The taking of personal leave immediately before or after the official activity is highly discouraged.**
- **If travel circumstances indicate that the trip is mainly for personal purposes, no part thereof shall be considered as official.**



# Miscellaneous Provisions

## Section 20

- **Official foreign trips partially or fully funded by private corporations or individuals shall be fully disclosed.**
- **No official or personal travel shall be funded directly or indirectly, fully or partially, by private individuals, including suppliers or contractors.**

# Miscellaneous Provisions

## Section 22(a)

- **Within 2 calendar months after return to the Philippines (official foreign travel), or within 1 calendar month of return to permanent official station (official local travel), personnel shall render an account of cash advance received in accordance with existing applicable rules and regulations.**



# **Stand By Slides**

## **Travel Authority**

# Approval of Local Travels

Section 4(a), EO No. 77

## **No approval by higher authorities for:**

- **Heads of NGAs**
- **Chairs of Governing Boards, Heads of SUCs, GOCCs, GFIs**
- **Regional Governor of Autonomous Regions, Provincial Governors, Mayors of special, highly urbanized, and independent component cities**

# Approval of Local Travels

Section 4(b), EO No. 77

For official local travels for less than 30 days, travel shall be approved by the ff:

Agency/Personnel	Approving Authority
NGAs	Heads of Agencies
NGAs composed of Governing Boards, including SUCs, GOCCs and GFIs:	
➤ For Board Members and Chief Executive Officers	Chairs of Governing Boards
➤ For Other Personnel	Chief Executive Officers



# Approval of Local Travels

Section 4(b), EO No. 77

For official local travels for less than 30 days, travel shall be approved by the ff:

Agency/Personnel	Approving Authority
<b>LGUs:</b>	
➤ Municipal or City Government Officials and Employees, and Officials and Employees of Barangay within their territorial jurisdiction	Municipal or City Mayors
➤ Provincial Government Officials and Employees, and Mayors or Component Cities or Municipalities	Provincial Governors

# Approval of Local Travels

Section 4(c), EO No. 77

For official local travels for more than 30 days, travel shall be approved by the ff:

Agency/Personnel	Approving Authority
In NGAs:	
➤ NGA personnel	Department Secretaries, equivalent rank, or authorized representative
➤ Personnel in SUCs	Chair, CHED
➤ Personnel in technical and vocational schools	Director General, TESDA

# Approval of Local Travels

Section 4(c), EO No. 77

For official local travels for more than 30 days, travel shall be approved by the ff:

Agency/Personnel	Approving Authority
LGUs	
➤ Municipal or City Government Officials and Employees, and Officials and Employees of Barangay within their territorial jurisdiction	Municipal or City Mayors
➤ Provincial Government Officials and Employees, and Mayors or Component Cities or Municipalities	Provincial Governors



# *Contract of Service and Job Order Workers in Government*

**Assistant Secretary Myrna S. Chua**  
**Department of Budget and Management**

# Rules and Regulations on Contract of Service (COS) and Job Order (JO) Workers

## CSC-COA-DBM Joint Circular No. 1, s. 2017 dated June 15, 2017

### Coverage

- **National Government Agencies**
- **Government –Owned or –Controlled Corporations with original charters**
- **State Universities and Colleges**
- **Constitutional Bodies**



# Definition of Terms

## **Contract of Service**

**Engagement of services of an individual, private firm, other government agency, non-government agency or international organization as consultant, learning service provider or technical expert to undertake a special project or job within a specific period**

## **Contractor or Service Provider**

**An individual, government agency, private or non-government entity, duly-registered and recognized by authorized government agencies to provide consultancy services in their respective field of expertise**



# Definition of Terms

## **Institutional Contract**

**Agreement between a government agency and contractor or service provider duly-registered and recognized by authorized government agencies**

## **Job Order**

**A piece work (pakyaw) or intermittent or emergency jobs such as clearing of debris, canals, waterways, etc., other manual, trades and crafts services such as carpentry, plumbing, electrical. These jobs are of short duration and for a specific piece of work**



# Institutional Contract of Service

- **As a general rule, government agencies may avail of outsourced services through institutional COS**
- **Institutional COS covers lump sum work or services to perform janitorial, security, consultancy, and other support functions subject to the provisions of RA No. 9184**





# Institutional Contract of Service

To ensure protection of workers, the contractor or service provider should meet the following requirements:



- Duly registered with the DOLE**
- Duly registered with the BIR**
- For sole proprietorship, duly registered with DTI**
- For corporations and partnerships, duly registered with SEC**
- Must be an active employer registered with the following agencies:**
  - **SSS**
  - **HDMF**
  - **PhilHealth**



# Institutional Contract of Service

## Under an institutional COS:

- **Workers remain to be employees of the contractor or service provider**
- **The discipline of workers is the responsibility of the contractor or service provider**
- **The contractor or service provider is responsible for providing the workers with compensation and benefits compliant with existing labor law**



# Individual Contract of Service

**Agencies may enter into COS with individuals as consultants/contractors, subject to the following:**

- **The term of contract between the agency and the individual contractor shall be for a maximum period of one (1) year, renewable at the option of the Head of procuring entity, but in no case shall exceed the term of the latter**
- **Engaging the services of individual contractor shall be subject to pertinent provisions of RA No. 9184 and its implementing guidelines, as applicable**



# Job Order

**Government agencies may hire JO workers based on their needs for emergency, intermittent or seasonal manual jobs or trades and crafts :**

- **The services of a JO worker is paid according to an agreed contract amount for the piece of work or on a daily wage basis**



# Limitations

- **Hiring under COS shall be limited to consultants, learning service providers, or other technical experts to undertake special project or job within a specific period.**
- **The project or job is not part of the regular functions of the agency, or the expertise is not available in the agency, or it is impractical or more expensive for the agency to directly undertake the service provided by the individual or institutional contractor**



# Limitations

- **Hiring of JO workers shall be limited to emergency or intermittent work, such as clearing of debris after disasters/occurrences, other trades and crafts, and manual tasks such as carpentry, plumbing, painting, electrical, and the like which are not part of the regular functions of the agency**
- **COS and JO workers should not be designated to positions exercising control or supervision over regular and career employees**



# Limitations

- **The services of COS and JO workers are not covered by Civil Service law and rules, thus, are not creditable as government service.**
- **They do not enjoy the benefits for government employees, such leave, PERA, RATA and thirteenth month pay.**



# Amendment to CSC-COA-DBM JC No. 1, s. 2017

## CSC-COA-DBM JC No. 1, s. 2018 dated November 9, 2018



- **Amends Section 11 (Transitory Provisions) of previous circular**
- **Amended Section 11 now provides that:**
  - ✓ **Agencies may engage the services of new COS and JO workers through individual contract and renew existing individual contracts until December 31, 2020.**
  - ✓ **Thereafter, the engagement of COS and JO workers shall be in accordance with the provisions of JC No. 1, s. 2017**





# Amendment to CSC-COA-DBM JC No. 1, s. 2017



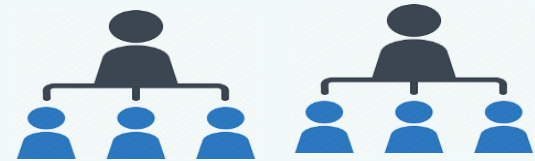
**The institutional contract of an agency with a contractor or service provider shall include a provision that existing qualified COS or JO workers may be considered in the hiring by the contractor or service provider**

- ✓ **The existing qualified COS and JO workers shall be considered for appointment to vacant positions subject to Civil Service law and rules and agency CSC-approved Merit Selection Plan**



# Amendment to CSC-COA-DBM JC No. 1, s. 2017

- ✓ **Agencies shall review their functions, systems and procedures, organizational structure and staffing to determine the appropriate human resource complement for their programs/activities/ projects**



- ✓ **The creation of permanent positions may be considered for regular functions, while the hiring of casual or contractual personnel may be considered for projects and activities that are temporary in nature, subject to evaluation of DBM or GCG**



# Amendment to CSC-COA-DBM JC No. 1, s. 2017

- ✓ **Services of individual COS or JO shall be paid salary/wage equivalent to the daily salary/wage of comparable positions in government and a premium of up to 20% of such salary/wage effective January 1, 2019**
- ✓ **The premium of 20% may be paid monthly, in lump sum or in tranches (i.e., mid-year and year-end payments) as may be stated in the contract.**
- ✓ **Charged to MOOE in the approved budget**



Thank You  
and  
Good Day

