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Department of Social Welfare and Development  
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**MEMORANDUM CIRCULAR**

NO. 04  
Series of 2006

**Subject: Amendment to Administrative Order No. 59, series of 2002  
on the Guidelines on the Payment/Disbursement of  
Extraordinary and Miscellaneous Expenses**

**1.0 RATIONALE**

The budget for Extraordinary and Miscellaneous Expenses (EME) of government officials has been pegged at 2000 level. However, the cost of goods and services has been steadily increasing. The General Appropriations Act (GAA) has enumerated the items which can be charged against the EME such as meetings, seminars conferences, official entertainment, public relation, educational, athletic and cultural activities, membership in government association, subscription to professional technical journals and informative magazines, library books and materials; office equipment and supplies; and other similar expenses not supported by the regular budget. Because of several expenditure items charged against EME, said fund is easily exhausted especially if the toll fees and parking fees will be included. It may be noted that the rates of toll fees in South Luzon Expressway (SLEX) and North Luzon Expressway (NLEX) are equivalent to 72 centavos per kilometers and 52 centavos per kilometers, respectively, effective July 2005, and expected to increase in February 2006 due to the implementation of Revised Value Added Tax (RVAT). It means that from San Fernando to Manila and back, for example, the toll fee of P292.00 per day or P6,424.00 per month would fully exhaust the monthly provision for EME.

On this, the toll fees and parking fees which are not specifically indicated in the GAA as item to be charged against EME may be appropriately charged against the regular maintenance and other operating expenses (MOOE), particularly transportation expenses, instead of EME so that said EME shall be spent to items of expenses indicated in the GAA for the purpose.

Hence, Administrative Order No. 59, series of 2002 on the Guidelines on the Payment/Disbursement of Extraordinary and Miscellaneous Expenses is hereby amended.

## **2.0 OBJECTIVES**

The objective shall include the following:

- 2.1 To further clarify expenditures items chargeable against EME and regular budget under MOOE.

## **3.0 GUIDELINES**

Items 3.7 to 3.11 shall read as follows:

- 3.7 For purposes of clarity, extraordinary and miscellaneous expenses shall include expenses incurred for the following:
  - 3.7.1 Meetings, seminars and conferences, where only internal concerns of a particular unit/office will be taken up and participated in by the internal staff;
  - 3.7.2 Official entertainment;
  - 3.7.3 Public relations;
  - 3.7.4 Educational, athletic and cultural activities;
  - 3.7.5 Contributions to civic or charitable institutions;
  - 3.7.6 Membership in government associations;
  - 3.7.7 Membership in national professional organization duly accredited by the Professional Regulation Commission;
  - 3.7.8 Subscription to professional technical journals and informative magazines, library books and materials;
  - 3.7.9 Office equipment and supplies; and
  - 3.7.10 Other similar expenses not supported by the regular budget allocation.
- 3.8 The cost of toll fees and parking fees shall be chargeable against the transportation expenses under maintenance and other operating expenses (MOOE) of the office concerned. The Department may procure NLEX and SLEX toll cards for the DSWD vehicles.

3.9 Equipment acquired through this mode shall form part of the property of the Office concerned. Proper documentation shall be made and coordinated with the Accounting Division and Property Management Division to facilitate recording of such acquisition in the books of the Department.

3.10 Meetings, seminars and conferences which includes staff/official/representatives from other offices, institutions or other stakeholders may be charged against the regular funds of the office concerned subject to submission of approved project proposal. Otherwise, expenses falling under Item 3.7 shall in no case be charged against Object 969 (Other MOOE) or Representation Expense Account of the Department.

3.11 Officials covered by this Circular are enjoined to carefully program their extraordinary and miscellaneous expenses to enable them to meet the requirements of their Office for the whole year.

#### **4.0 REPEALING CLAUSE**

All issuances contrary to this Memorandum are hereby repealed.

#### **5.0 EFFECTIVITY**

This Circular takes effect immediately.

Done in Quezon City on the 28<sup>th</sup> of February, 2006.

  
**ESPERANZA I. CABRAL**  
Secretary