



Republic of the Philippines  
**COMMISSION ON AUDIT**  
Commonwealth Avenue, Quezon City, Philippines



No.: 2012-003  
Date: OCT 29 2012

**CIRCULAR –**

**TO :** All Heads of Departments, Bureaus, Offices, Agencies and Instrumentalities of the National Government, Heads of Local Government Units (LGUs), Managing Heads of Government-Owned and/or Controlled Corporations (GOCCs), COA Assistant Commissioners, COA Directors, COA Auditors and All Others Concerned

**SUBJECT :** Updated Guidelines for the Prevention and Disallowance of Irregular, Unnecessary, Excessive, Extravagant and Unconscionable Expenditures

Under Section 2 (2), Article IX-D of the 1987 Constitution, the Commission on Audit (COA) shall have exclusive authority, subject to the limitation in this Article, to “xxx promulgate accounting and auditing rules and regulations, including those for the prevention of irregular, unnecessary, excessive, extravagant, or unconscionable (IUEEU) expenditures or uses of government funds and properties”. This authority was reiterated under Section 33 of Presidential Decree (P.D.) No. 1445, which states:

*Section 33. Prevention of irregular, unnecessary, excessive, or extravagant expenditures of funds or uses of property; power to disallow such expenditures. - The Commission shall promulgate such auditing and accounting rules and regulations as shall prevent irregular, unnecessary, excessive, or extravagant expenditures or uses of government funds or property.*

In line with these provisions and the Commission’s efforts to be constantly responsive to the changing needs of the government, the list of situational cases enumerated under COA Circular No. 85-55A dated September 8, 1985 is hereunder restated with updated additional cases established for the guidance of both agency officials and employees, and COA auditors.

**1.0 PURPOSE**

The Circular on IUEEU expenditures or uses of government funds and property is updated to guide agency officials in the discharge of their official

functions and the COA auditors in their auditorial functions. The situational cases enumerated under COA Circular No. 85-55A dated September 8, 1985 are elaborated by presenting actual transactions/expenditures declared as IUEEU expenditures under various jurisprudence, decisions issued by this Commission, and released audit reports. Illegal expenditures are also discussed as differentiated from irregular expenditures and unconscionable expenditures are also included. The pertinent rules and regulations under selected types of expenditures are, likewise, enumerated for further guidance.

## 2.0 DECLARATION OF POLICIES

- 2.1 The COA adheres to the policy that government funds and property should be fully protected and conserved, and that IUEEU expenditures or uses of such funds and property should be prevented.
- 2.2 The level/rank of user and mission, size, systems, structure, strategy, skills, style, and nature of operation of a government agency shall be considered in determining whether expenditures are IUEEU.
- 2.3 The list of situational cases of IUEEU expenditures or uses of government funds and property shall be updated from time to time in line with COA's effort to be constantly responsive to the changing needs of government.
- 2.4 The interplay of certain factors, such as, but not limited to, urgency of need, time and place of purchase, availability of needed goods and services in the market, place and origin of goods, volume or quantity, service warranties, quality, special features and the like, and generally accepted industry practices shall be recognized in determining IUEEU expenditures.
- 2.5 The COA, as an independent constitutional body, is endowed with special rule-making powers encompassing the broad spectrum of government operations. In the exercise of such rule-making powers, the Commission can enforce sanctions in case of violation of auditing rules and regulations which can serve as basis for administrative, civil, or criminal action as maybe warranted under existing law.

## 3.0 "IRREGULAR" EXPENDITURES

### 3.1 Definition

The term "irregular expenditure" signifies an expenditure incurred without adhering to established rules, regulations, procedural guidelines, policies, principles or practices that have gained recognition in laws. Irregular expenditures are incurred if funds are disbursed without conforming with prescribed usages and rules of



discipline. There is no observance of an established pattern, course, mode of action, behavior, or conduct in the incurrence of an irregular expenditure. A transaction conducted in a manner that deviates or departs from, or which does not comply with standards set is deemed irregular. A transaction which fails to follow or violates appropriate rules of procedure is, likewise, irregular.

- 3.2 Cases that are considered "Irregular" Expenditures or Uses of Government Funds and Property are presented in **Annex "A."**
- 3.3 Cases of violation of laws, which are considered "Illegal" expenditures of Uses of Government Funds and Property, are illustrated in **Annex "B."**

#### 4.0 "UNNECESSARY" EXPENDITURES

##### 4.1 Definition

The term pertains to expenditures which could not pass the test of prudence or the diligence of a good father of a family, thereby denoting non-responsiveness to the exigencies of the service. Unnecessary expenditures are those not supportive of the implementation of the objectives and mission of the agency relative to the nature of its operation. This would also include incurrence of expenditure not dictated by the demands of good government, and those the utility of which cannot be ascertained at a specific time. An expenditure that is not essential or that which can be dispensed with without loss or damage to property is considered unnecessary. The mission and thrusts of the agency incurring the expenditures must be considered in determining whether or not an expenditure is necessary.

- 4.2 Cases that are considered "Unnecessary" Expenditures or Uses of Government Funds and Property are presented in **Annex "C."**

#### 5.0 "EXCESSIVE" EXPENDITURES

##### 5.1 Definition

The term "excessive expenditures" signifies unreasonable expense or expenses incurred at an immoderate quantity and exorbitant price. It also includes expenses which exceed what is usual or proper, as well as expenses which are unreasonably high and beyond just measure or amount. They also include expenses in excess of reasonable limits.

- 5.2 Cases that are considered "Excessive" Expenditures of Government Funds are presented in **Annex "D."**



## 6.0 "EXTRAVAGANT" EXPENDITURES

### 6.1 Definition

The term "extravagant expenditure" signifies those incurred without restraint, judiciousness and economy. Extravagant expenditures exceed the bounds of propriety. These expenditures are immoderate, prodigal, lavish, luxurious, grossly excessive, and injudicious.

### 6.2 Cases that are considered "Extravagant" Expenditures of Government Funds are presented in **Annex "E"**

## 7.0 "UNCONSCIONABLE" EXPENDITURES

### 7.1 Definition

The term "unconscionable expenditures" pertains to expenditures which are unreasonable and immoderate, and which no man in his right sense would make, nor a fair and honest man would accept as reasonable, and those incurred in violation of ethical and moral standards.

### 7.2 Cases that are considered "Unconscionable" Expenditures of Government Funds are presented in **Annex "F"**

## 8.0 INCLUSION OF SITUATIONS DEEMED IUEEU EXPENDITURES IN THE UPDATED LIST

### 8.1 Need/Justification

As the lists of IUEEU expenditures cannot exhaust the situations which are deemed such, there is a need to set up a system whereby a list of disallowed expenditures peculiar to an agency or a class/category shall be made using a self-propelling or time-adjusting mechanism such that a case declared IUEEU expenditure in a particular situation/sector is, likewise, deemed IUEEU expenditure in other cases/sectors similarly situated.

### 8.2 Criteria for Inclusion of an IUEEU situation in the Updated Lists

A situation may be included in the updated list if it corresponds positively to at least one of the following criteria:

- there is no established judicial precedents relative to the case/issue
- there is a substantial/notable recurrence of a particular problem within a very limited time
- it results in losses or non-operation of the agency

- the case is an accurate illustration of the substantive area of the IUEEU expenditure definition

### 8.3 Procedure for Inclusion

In case an IUEEU situation corresponds to any, several or all of the criteria set above, the following steps should be observed in including the IUEEU situation into the Updated List:

- The Supervising Auditor/Audit Team Leader, through the Cluster Director/Assistant Commissioner recommends to the Commission Proper, IUEEU situations deemed ripe for inclusion in the Updated List.
- The IUEEU situation will be taken up in a Commission Proper meeting where the proposed inclusion will be deliberated, upon resolving among other things, whether or not the situation will apply only to the agency classification involved or to the three sectors (national, local and corporate) of government.
- Thereafter, the Commission Proper shall issue a Resolution effecting the inclusion of the IUEEU situation in the Updated List.
- Finally, the Resolution shall be published and circularized for the information of all sectors concerned.

## 9.0 SUPREME COURT DECISIONS ON IUEEU EXPENDITURES

The Supreme Court upheld this Commission's decisions to disallow in audit certain expenses for being IUEEU. Examples of these are as follows:

- 9.1 Honoraria paid to members of the Bids and Awards Committee (BAC) and Technical Working Group (TWG) in excess of the rates provided for under Department of Budget and Management (DBM) Budget Circular No. 2004-5A dated October 7, 2005 and for procurement activities pertaining to contracts not yet awarded to the winning bidder (Joseph Peter Sison, et al. vs. Rogelio Tablang, et al., G.R. No. 177011 dated June 5, 2009).
- 9.2 Grant of Christmas bonuses, cash gift and other fringe benefits to consultants and to members of the Board who are not salaried officials of the government as they are not considered employees of the hiring agency (COA Decision No. 2006-030 dated April 11, 2006; BCDA vs. COA, G.R. No. 178160 dated February 26, 2009).
- 9.3 Grant of amelioration allowance or any similar benefits to private employees of service contractors contrary to Administrative Order No. 365 dated October 10, 1997 (HDMF vs. COA, G.R. No. 157001 dated October 19, 2004).



- 9.4 Loyalty service award granted to employees that have not yet rendered the minimum service of ten years in the government required under Civil Service Commission (CSC) Memorandum Circular No. 42, s. 1992 (BCDA vs. COA, G.R. No. 142760 dated August 6, 2002).
- 9.5 Payment of Cost of Living Allowance (COLA) and other allowances deemed integrated in the salary per DBM-National Compensation Circular (NCC) No. 59 dated September 30, 1989 and DBM-Corporate Compensation Circular (CCC) No. 10 dated October 2, 1989 (Victoria C. Gutierrez, et al. vs. DBM, G.R. No. 153266 dated March 18, 2010).
- 9.6 Grant of food allowance, rice subsidy and health care allowance as there is no law authorizing the grant of such allowances (BFAR Employees Union, R.O. VII vs. COA, G.R. No. 169815 dated August 13, 2008, and Benguet State University vs. COA, G.R. No. 169637 dated June 8, 2007) except health care insurance benefits granted by LGUs since it has the authority (Province of Negros Occidental vs. COA, G.R. No. 182574 dated September 28, 2010).
- 9.7 Hiring of private lawyers by the GOCCs to handle their cases and legal matters without prior written conformity and acquiescence of the Solicitor General or the Government Corporate Counsel, as the case may be, and the written concurrence of the COA (Phividec Industrial Authority and Atty. Cesilo Adaza vs. Capitol Steel Corp. and Cheng Han Sui, G.R. No. 155692 dated October 23, 2003).
- 9.8 Continuous extension of the services of a foreign consultant to undertake relatively simple supervisory work required for the final stages of the project that can be done by the implementing agency itself or a local consultant (NHA vs. COA, G.R. 101370 dated September 2, 1993).
- 9.9 Acceptance of a project as 100 percent complete pursuant to Certificate of Inspection Report when the project was not yet completed (Manuel Leycano, Jr. vs. COA, G.R. No. 154665 dated February 10, 2006).

## 10.0 RULES AND REGULATIONS

In the evaluation of IUEEU expenditures, the concerned officials and employees shall be guided by the general and special provisions of the General Appropriations Act (GAA), P.D. No. 1445, Republic Act (R.A.) No. 7160 and the existing laws, rules and regulations, among which are listed in **Annex "G."**





**11.0 APPLICABILITY CLAUSE**

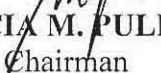
The updated lists of IUEEU expenditures or uses of government funds and property shall apply, whenever possible, to all government agencies.


**12.0 SEPARABILITY CLAUSE**


Should any provision of this Circular or any part thereof be declared invalid or inoperative, the other provisions, so far as they are separable from the invalid or inoperative one, shall remain in full force and effect.

**13.0 EFFECTIVITY**

This Circular shall take effect fifteen (15) days after publication in newspaper of general circulation.

  
**MA. GRACIA M. PULIDO TAN**  
Chairman

  
**JUANITO G. ESPINO, JR.**  
Commissioner

  
**HEIDI L. MENDOZA**  
Commissioner

**Cases that are considered "Irregular" Expenditures or Uses of Government Funds and Property**

1. Payment of salaries, allowances and other forms of additional compensation under the following cases:
  - 1.1 Payment of salaries and wages wherein the signatures in the logbook vary with the signatures of the workers in the payroll (COA Decision No. 2008-083 dated September 11, 2008).

Similar case that may also fall under this category follows:

- 1.1.1 Payment of salaries or wages of laborers under a labor payroll to persons other than the payees unless properly authorized by the latter.
- 1.2 Honoraria granted to members of special committees such as an Executive Committee, Program on Awards and Incentives for Service Excellence and Regional Selection and Promotions Board, which are performing functions inherent in the regular functions of the agency. (COA Decision No. 2008-126 dated December 24, 2008).

Similar cases that may also fall under this category follow:

- 1.2.1 Honoraria to private individuals sitting as members of special committees (e.g., Ethics Committee) of a government agency, without authority or approval from the DBM.
  - 1.2.2 Honoraria or Representation and Transportation Allowance (RATA) granted to members of different committees in various Regional and District Offices (ex. Regional Acting Vice President and District Supervisors) in violation of Section 4 of DBM Budget Circular No. 2003-5 dated September 23, 2003, as amended.
- 1.3 Honoraria paid to members of the Bids and Awards Committee (BAC) and Technical Working Group (TWG) in excess of the rates provided for under DBM Budget Circular No. 2004-5A dated October 7, 2005 and for procurement activities pertaining to contracts not yet awarded to the winning bidder (Joseph Peter Sison, et al. vs. Rogelio Tablang, et al., G.R. No. 177011 dated June 5, 2009).
- 1.4 Grant of Christmas bonuses, cash gift and other fringe benefits to consultants and to members of the Board who are not salaried officials of the government as they are not considered employees of the hiring agency (COA Decision No. 2006-030 dated April 11, 2006, BCDA vs. COA, G.R. No. 178160 dated February 26, 2009).
- 1.5 Grant of amelioration allowance or any similar benefits to private employees of service contractors contrary to Administrative Order (A.O.) No. 365 dated





October 10, 1997 (HDMF vs. COA, G.R. No. 157001 dated October 19, 2004).

- 1.6 Loyalty service award granted to employees that have not yet rendered the minimum service of ten years in the government required under CSC Memorandum Circular No. 42, s. 1992 (BCDA vs. COA, G.R. No. 142760 dated August 6, 2002).

Similar case that may also fall under this category follows:

- 1.6.1 Annual payment of Anniversary Bonus to government employees which is not consistent with A.O. No. 263 dated March 28, 1996, authorizing the grant thereof of their agencies' milestone years-that is, on the 15<sup>th</sup> anniversary and 5<sup>th</sup> year thereafter.
- 1.7 Payment of COLA and other allowances deemed integrated in the salary per DBM-NCC No. 59 and DBM-CCC No. 10 (Victoria C. Gutierrez, et al. vs. DBM, G.R. No. 153266 dated March 18, 2010).
- 1.8 Grant of food allowance, rice subsidy and health care allowance as there is no law authorizing the grant of such allowances (BFAR Employees Union, R.O. VII vs. COA, G.R. No. 169815 dated August 13, 2008 and Benguet State University vs. COA, G.R. No. 169637 dated June 8, 2007).

Similar case that may also fall under this category follows:

- 1.8.1 Payment of health care insurance, except for local government units (LGUs) (the Province of Negros Occidental vs. the Commissioners, COA, et al., G.R. No. 182574 dated September 28, 2010).
- 1.9 RATA and cash gift to Office of the Government Corporate Counsel (OGCC) lawyers rendering legal assistance to government-owned and controlled corporations (GOCCs) without the presence of the three concurring conditions required under Section 6 of Executive Order (E.O.) No. 878 dated March 4, 1983 (COA Decision No. 2006-030 dated April 11, 2006).

Similar case that may also fall under this category follows:

- 1.9.1 Attorney's fees paid to regular employees.
- 1.10 Payment of Collective Negotiation Agreement (CNA) signing bonus to members of governing board (non-organic employees) and those occupying managerial positions higher than division chief (COA Decision 2008-029 dated February 29, 2008).
- 1.11 Payment of CNA cash incentive/benefit to rank-and-file employees where the conditions required in determining "savings" under Public Sector Labor-Management Council (PSLMC) Resolution No. 02, s. 2003 dated May 19, 2003 and DBM Budget Circular No. 2006-01 dated February 1, 2006 are not met.



1.12 Premiums paid for the Personnel Accident Insurance of officers and employees of GOCCs without prior authority from the DBM and/or the Office of the President (COA Decision No. 2006-030 dated April 11, 2006).

Similar case that may also fall under this category follows:

- 1.12.1 Procurement and payment of corresponding premiums for Directors and Officers Liability Insurance (DOLI).
2. Hiring of private lawyers by the GOCCs to handle their cases and legal matters without prior written conformity and acquiescence of the Solicitor General or the Government Corporate Counsel, as the case may be, and the written concurrence of the COA (Phividec Industrial Authority and Atty. Cesilo Adaza vs. Capitol Steel Corp. and Cheng Han Sui, G.R. No. 155692 dated October 23, 2003).
3. Hiring of casual and probationary employees under job order with entitlement and benefits enjoyed by regular government employees, in violation of CSC Resolution No. 020790 dated June 5, 2002 and CSC Memorandum Circular No. 15, s. 1999.
4. Hiring of consultants/retired employees, such as:
  - 4.1 Hiring of consultants and contractuels to perform functions that will exercise control and supervision over regular employees (CSC Memorandum Circular No. 26, s. 1997).
  - 4.2 Continuous extension of the services of a foreign consultant to undertake relatively simple supervisory work required for the final stages of the project that can be done by the implementing agency itself or a local consultant (NHA vs. COA, G.R. No. 101370, September 2, 1993).
  - 4.3 Hiring of employees who had previously opted to retire/be separated from the service as a result of rationalization efforts of their agency within five (5) years after retirement/separation (DBM Circular Letter No. 2011-14, dated December 22, 2011 and Civil Service regulations).
5. Payment for damages, litigation costs and attorney's fees awarded by the court to a contractor caused by serious lapses and omissions of a public officer such as the issuance of change orders without authority from the Sangguniang Panlungsod and his failure to protect public funds from being garnished (COA Decision No. 2008-043 dated May 6, 2008).
6. Reimbursement and/or payments of expenses, such as:
  - 6.1 Reimbursement of expenses incurred by persons who are not authorized to attend conferences, meetings and other official functions.
  - 6.2 Unless there is a law which provides otherwise, reimbursement of legal expenses incurred by public officials and employees against whom criminal/civil/administrative suits have been filed, in relation to the performance of their public functions.



7. Payment of rental contracts for service vehicles covering a continuous period of more than 15 days without the authority or approval of the Secretary of the DBM, appropriation and certification of availability of funds (COA Decision No. 2009-007 dated February 9, 2009).
8. Release of funds to non-government organization/people's organizations (NGOs/POs) for money market placement, time deposit or other forms of investments (COA Circular No. 2007-001 dated October 25, 2007).
9. Release of assistance such as fertilizers, seeds and other farm inputs and equipment other than to the intended farmer beneficiaries.
10. Advertisements
  - 10.1 Media advertisements, except those required in the issuance of agency guidelines, rules and regulations, the conduct of public biddings, and the dissemination of important public announcements (A.O. No. 103 dated August 31, 2004).
  - 10.2 Expenses for advertisements of anniversaries, etc. in newspapers, TV or radio merely for publicity or propaganda purposes except when the nature of the agency's mission would require such expenses as in the case of promotion of trade and business.
11. Donations, contributions, grants and gifts, except if said activities are undertaken pursuant to the mandate of the donor-agency (A.O. No. 103 dated August 31, 2004).

Similar case that may also fall under this category follows:

- 11.1 Release of funds as financial assistance to civic organizations such as Rotary, Jaycees and Lions, non-stock non-profit corporations/foundations and private corporations.
12. Payment of foreign travel expenses to private individuals purportedly as representatives of an international organization for the purpose of attending a convention, using the travel rates prescribed under E.O. 298 dated March 23, 2004, which governs government personnel only.
13. Including names or initials and/or images or pictures of government officials in the billboard and signages on government programs, projects and properties banned under Department of the Interior and Local Government (DILG) Memorandum Circular No. 2010-101 dated September 23, 2010.
14. Acceptance of a project as 100 percent complete pursuant to Certificate of Inspection Report when the project was not yet completed (Manuel Leycano, Jr. vs. COA, G.R. No. 154665, February 10, 2006).

Similar cases that may also fall under this category follow:

- 14.1 Acceptance of a project constructed not in accordance with plans and specifications and with noted deficiencies.



- 14.2 Acceptance of seeds and other articles/goods without passing the required quality test by the responsible government entity such as by the Bureau of Plant Industry, in case of seeds.
15. Use of government motor vehicles for private social functions such as receptions, balls, theaters and for other personal purposes; use by spouse, children, friends and the like, of the official entitled thereto, even if they are in the company of said officials; or on Sundays, legal holidays or out of their regular office hours or outside the route of the official or employee, unless properly authorized. (A.O. No. 239 dated September 15, 2008).

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**Cases that are considered "Illegal" Expenditures or Uses of Government Funds and Property**

1. Payment of claims under a contract awarded not strictly in accordance with the procedures prescribed under Republic Act (R.A.) No. 9184 and its Revised Implementing Rules and Regulations (IRR):
  - 1.1 For contracts entered into containing provisions that substantially depart from the draft Agreement included in the Bid Documents (Demosthenes P. Agan, Jr. et al., MWU-NLU and PALEA vs. PIATCO, Inc., MIAA, DOTC and Sec. L. Mendoza, G.R. No. 155001 dated May 5, 2003).
  - 1.2 For contracts awarded under an alternative mode of procurement for items that should have undergone complete public bidding process and eventually resulted in overpricing (Dir. Fredric Villanueva, et.al. vs. COA, G.R. No. 151987 dated March 18, 2005 and Venancio R. Nava vs. Rodolfo G. Palattao, et al., G.R. 160211 dated August 28, 2006).
  - 1.3 For contracts awarded to a bidder who failed to meet the minimum amounts required to be put up at the time the bids were submitted (Demosthenes P. Agan, Jr. et al., MWU-NLU and PALEA vs. PIATCO, Inc., MIAA, DOTC and Sec. L. Mendoza, G.R. No. 155001 dated May 5, 2003).
  - 1.4 For delivery of equipment that is not brand new and does not conform to the specifications called for in the Invitation to Bid (Ramon T. Lim vs. COA, G.R. No. 130325 dated March 12, 2003).

Similar case that may fall under the category follows:

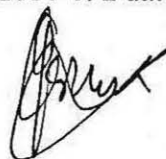
- 1.4.1 For deliveries of imported rice and other similar goods not conforming to the required specifications.
  - 1.5 For base and portable radio communications equipment without purchasers' and dealers' permits from the National Telecommunications Commission (NTC) in violation of Act No. 3846, otherwise known as the "Radio Control Law" (Fe D. Laysa vs. COA, G.R. No. 128134 dated October 18, 2000).
2. Payment for contracts under the following conditions without the prior approval or authorization of the local *Sanggunian* which is required under Section 22 (c) of R.A. No. 7160 (Local Government Code of 1991) [Hon. Gabriel Luis Quisumbing, et al. vs. Hon. Gwendolyn F. Garcia (Cebu) and Hon. Delfin P. Aguilar (COA), G.R. No. 175527 dated December 8, 2008] as clarified under COA Memorandum No. 2010-014 dated April 22, 2010.
    - 2.1 In case of regularly enacted budget

- For projects described in appropriation ordinances in generic terms such as infrastructure projects, inter-municipal waterworks, drainage and sewerage, flood control, irrigation systems projects, reclamation projects, roads and bridges.





- For purchase of goods and services which are neither specified in the appropriation ordinance nor encompassed within the regular personal services and maintenance operating expenses.
- 2.2 In case of a reenacted budget
- For new contracts entered into by the local chief executive covering contractual obligations included in the previous year's annual and supplemental budgets.
3. Payment of compensation or benefits to government personnel under the following circumstances:
- 3.1 Exemplary public service award incentive paid to three term local officials as this is not among the compensation and benefits enumerated under Article 77 of the IRR of R.A. No. 7160 as due the elective local officials, and that such payment contravenes Article 170 (c) of the said IRR which provides that no elective or appointive official shall receive additional, double or indirect compensation unless specifically authorized by law (COA Decision No. 2008-088 dated September 26, 2008).
- 3.2 Separation/disability/death plan benefits to retiring employees which constitute supplementary retirement plan prohibited under Section 28 (b) of Commonwealth Act No. 186, as amended by R.A. No. 4968 (COA Decision No. 2008-078 dated August 20, 2008).
- 3.3 Financial assistance granted to retiring employees which constitutes supplementary pension/retirement benefit plan proscribed by law (Avelina B. Conte and Leticia Boiser-Palma vs. COA, G.R. No. 116422 dated November 4, 1996).
- 3.4 Partial release/payment or enjoyment of retirement benefits in whatever guise, such as in the form of loan before actual retirement (DBP vs. COA, G.R. No. 144516 dated February 11, 2004).
- 3.5 Additional retirement benefits which are beyond that allowed under existing retirement laws (COA Decision No. 2006-030 dated April 11, 2006).
- 3.6 Additional benefits paid to officials and employees of GOCCs based on Governing Board resolutions whose power to fix compensation and benefits were revoked under R.A. No. 6758 effective July 1, 1989 unless subsequently restored (SSS vs. COA, G.R. No. 149240 dated July 11, 2002).
- 3.7 Fringe benefits paid to Board of Directors, officers and employees exceeding the limitations prescribed under R.A. No. 6758 such as Social Amelioration Benefits, two-month Christmas bonus and Mid-year Financial Assistance (COA Decision No. 2006-030 dated April 11, 2006).
- 3.8 Hazard pay paid to health workers/employees not assigned in establishments specifically mentioned in Section 21 of R.A. No. 7305 and without proof of exposure to specific health hazards for at least 50 percent of his working hours (COA Decision No. 2010-092 dated October 21, 2010).





- 3.9 Hazard allowance paid to employees who are not principally engaged in the delivery of health or health-related services such as Social Insurance Group of Government Service Insurance System (KMG vs. COA, G.R. No. 150769 dated August 31, 2004).
- 3.10 Hazard pay of public health workers at a predetermined or fixed amount (i.e., ₱4,988.75/month for Health workers, receiving salary grade 20 and above) which contravenes Section 21 of R.A. No. 7305 (Magna Carta for Public Health Workers) and Rule XV, Section 7.1.5 of its IRR (A.M. No. 03-9-02-SC, November 27, 2008).
- 3.11 Payment of honoraria without covering appropriation (Fe D. Laysa vs. COA, G.R. No. 128134 dated October 18, 2000).
- 3.12 Grant of allowances and bonuses to Board Members of water districts other than per diems allowed pursuant to Section 13 of P.D. No. 198 (Rodolfo S. De Jesus, et al. vs. COA, G.R. No. 156641 dated February 5, 2004).
- 3.13 Payment of transportation allowance paid to officials who are assigned or presently use government motor vehicles [Sec. 45, R.A. No. 10155 (GAA 2012)]. Similarly, grant of gasoline allowance or reimbursement of gasoline expenses to officials who are receiving transportation allowance is also considered illegal.
- 3.14 Extraordinary and Miscellaneous Expenses (EME) of LGUs in excess of the limitations provided for discretionary expenses under Section 325(h) of R.A. No. 7160.
- 3.15 Payment of personal services expenditures such as salaries, honoraria, allowances, bonuses, and other similar forms of compensation out of financial subsidy to LGUs – [DBM Local Budget Circular (LBC) No. 89 dated June 23, 2008].

Similar case that may also fall under this category follows:

- 3.15.1 Payment of personal services expenditures in excess of the limitation prescribed under Section 325(a) of R.A. No. 7160.
- 3.16 Honoraria and other forms of allowances such as per diems, representation allowance, Christmas gift checks paid to Department Secretaries/ Undersecretaries/Assistant Secretaries or their alternates as members of governing boards of collegial bodies as these partake of the nature of additional compensation or remuneration proscribed under Section 13, Article VII of the 1987 Philippine Constitution (Bitonio, Jr. vs. COA, G.R. No. 147392 dated March 12, 2004, National Amnesty Commission vs. COA, G.R. No. 156982 dated September 8, 2004 and Dela Cruz, et al. vs. COA, G.R. No. 138489 dated November 29, 2001).

Similar cases that may also fall under this category follow:

- 3.16.1 Payment of per diems and allowances to Board of Directors



Secretariat and other officers in subsidiaries of GOCCs acquired by the government through Proclamation No. 50, s. 1986, dated December 15, 1986.

- 3.16.2 Payment of EME to an ex-officio member of the Board (COA Decision No. 2010-048 dated March 23, 2010).
- 3.16.3 Additional benefits paid to officials, employees and the members of Board of GOCCs based on issuances of the Department Secretary to which the GOCCs are attached.
- 3.17 Payment of COLA and other allowances deemed integrated in the salary per DBM NCC No. 59 and DBM-CCC No. 10 (Victoria C. Gutierrez, et al. vs. DBM, G.R. No. 153266 dated March 18, 2010).
4. Payments thru checks that are countersigned by Secretary to the Local Chief Executive contrary to Section 345 of R.A. No. 7160 which requires that the countersigning be made by the local administrator or in his temporary absence or incapacity by his immediate assistant (COA Decision No. 2008-061 dated July 3, 2008).
5. Use of public funds for private purposes [Section 4(2) of P.D. No. 1445], such as:
  - 5.1 For repair/rehabilitation or construction of multi-purpose building of a specific cooperative composed of private individuals where the lot and building subject of improvement are privately owned (COA Decision No. 2008-127 dated December 24, 2008).
  - 5.2 For widening, repairing and improving sidewalks of a privately owned subdivision where the land on which it is situated had not been transferred to the government by way of donation or acquired by the government through expropriation (Aniano A. Albon vs. Bayani Fernando, et al., G.R. No. 148357 dated June 30, 2006).
  - 5.3 Use of government property such as office supplies and office equipment, and government facilities and buildings for personal purposes.
6. Entering into contract in an amount way beyond the appropriated amount in violation of Section 85 of P.D. No. 1445 (Hon. Tomas R. Osmena vs. COA, G.R. No. 98355 dated March 2, 1994).
7. Entering into contracts without covering certificates of availability of funds issued by the Chief Accountant even if the contract is signed by the Accountant as witness (DOH vs. CVCAA, et al., G.R. Nos. 151373-74 dated November 17, 2005).
8. Purchase of science education facilities by the Schools Division Superintendent using funds intended for the improvement of facilities of nationalized High Schools (Venancio R. Nava vs. Rodolfo G. Palattao, et al., G.R. No. 160211 dated August 28, 2006).



9. Expenses for foreign travel of officials or employees, including uniformed personnel of the DILG and Department of National Defense (DND) who are due to retire within one year after the said foreign travel [Section 16(c), General Provisions, 2012 GAA or pertinent provisions of the GAA for the year].
10. Charges to accounts payable not founded on valid claims in violation of Section 46 of P.D. No. 1177 (Fe D. Laysa vs. COA, G.R. No. 128134, October 18, 2000).
11. Hiring of private lawyers by LGUs except in cases where a component city or municipality is a party adverse to the provincial government or to another component city or municipality (COA Circular No. 98-002 dated June 9, 1998).
12. Use of funds intended for a specific purpose/project, for other purposes such as administrative and miscellaneous expenses of the implementing agency, and for projects not intended to be implemented under the program.
13. Grant of cash advance for no specific stated public purpose (Section 89 of P.D. No. 1445).



**Cases that are considered "Unnecessary" Expenditures or Uses of Government Funds and Property**

1. Creation or continued operation of subsidiaries, the function of which duplicates that of the parent corporation.
2. Hiring of public relations (PR) companies.
3. PR expenses by government insurance corporations whose members and where government property are compulsorily insured.
4. Hiring of consultants whose functions are redundant to the respective functions of concerned officials, for example hiring of procurement consultant, financial consultant or media consultant.
5. Hiring of consultants rendering services not aligned/related to the mandate/thrusts of the hiring Agency and/or exceeding the agreed consultancy period including renewals.
6. Professional service contract for the design of a building with already existing design/plan, and subject services of the Architect was superfluous and unnecessary (COA Decision 94-117 dated March 10, 1994).
7. Purchase of high-end or expensive models/brands of electronic gadgets such as mobile phones, desktops, laptops, etc. unless justified by circumstances.
8. Construction of buildings and/or procurement of equipment not actually needed or without any intended purpose, not put to use or use for purposes other than the intended purpose, not completed and could not be properly maintained or operations sustained.
9. Construction of housing units which were not distributed/awarded or disposed of within considerable period of time as evidenced by the deterioration of the units.
10. Replacement of serviceable structure/equipment.
11. Continuous repair of vehicles and equipment already considered beyond economic repair as evidenced by frequent breakdown and non-use after repair.
12. Grant of overtime pay for work that is not of urgent nature as to require completion within a specified time or that can be undertaken during regular office hours.

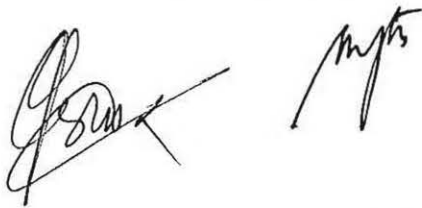


**Cases that are considered "Excessive" Expenditures of Government Funds**

1. Overpricing of purchases, characterized by grossly exaggerated or inflated quotations, in excess of the current and prevailing market price by a 10 percent variance from the purchased item.
2. Payment for repair of government equipment at a cost exceeding 30 percent of the current market price of the same or similar equipment.
3. Expenditures for supplies and materials including fuel inventory in quantities exceeding the normal three-month requirements, except under the circumstances enumerated under the pertinent provision of the GAA.
4. Granting of cash advance in excess of estimated budget.
5. Provision of mobile phone, whether postpaid line subscription or prepaid, in excess of one unit for each entitled official which should not be lower than Division Chief rank.
6. Grant of cash advance for intelligence funds in excess of one-month requirement. In emergency cases, cash advance in excess of one-month requirement may be granted but not to exceed the three-month requirement.
7. Release of funds to NGOs/POs in excess of the project requirements.
8. Using expensive thermoplastic materials with longer life span on an asphalt overlay with shorter life span.
9. Installation of materials/items in excess of the requirements prescribed under existing regulations and/or in places without the need for the same or with already existing installations, such as:
  - 9.1 Installation of another camera in places with existing functional camera.
  - 9.2 Installation of raised pavement studs with spacing shorter than the 9-meter requirement.
10. Procurement of materials/items in excess of the requirements which eventually expires such as vaccines, medicines, seeds, fertilizer, pesticides, among others.
11. Inclusion in the contract of a specific infrastructure project, special items such as motor vehicles and computers which unnecessarily increased project costs due to the provision of indirect costs.
12. Procurement and distribution of seeds to farmers in excess of the required number of bags of seeds per hectare.
13. Purchase of expensive specialized folders and other easily accessible and readily available items which have limited useful life.



14. Payment of cost of imported equipment in excess of the cost of importation indicated in pro-forma Consular Invoice of the foreign supplier, Bureau of Internal Revenue (BIR) and Bureau of Customs (BOC) tax receipts, and other cost of importation and reasonable mark-up.
15. Excessive expenditures in the celebration of Christmas, anniversary and other special occasions.
16. Excessive allowances to participants and expenses in relation to lakbay-aral, seminars or trainings.
17. Claims for EMEs and other similar expenses of GOCCs in excess of the amounts authorized in their corporate charters and in the absence thereof, the amounts fixed under the GAA. The amount provided to in the charter shall be included in the Corporate Operating Budget (COB), subject to the approval of the DBM.

Two handwritten signatures in black ink. The signature on the left is a stylized cursive signature, possibly reading 'Gerson'. The signature on the right is a shorter, more compact cursive signature, possibly reading 'Mgts'.A small, dark handwritten mark or signature located in the bottom right corner of the page.



**Cases that are considered "Extravagant" Expenditures of Government Funds**

1. Purchase of wines, liquors, cigars and cigarettes, except when served during state functions and government-sponsored international conferences and conventions.
2. Payment for rent of expensive halls or rooms in luxury hotels or restaurants used for meetings/seminars and other official functions, except when such hotels or restaurants are used for government-sponsored international conventions, meetings and the like.
3. Conduct of out-of-town meeting which can be made within the office premises.
4. Hiring of expensive vans, cars, aircraft when there is available ordinary public conveyance, except in meritorious cases and justified by prevailing circumstances.
5. Use of expensive decorative lamp posts and other similar items/fixture.
6. Procurement and use of luxury vehicles by government officials, except those allowed under Section 6 of Administrative Order No. 3 issued on February 27, 2001.
7. Luxurious furnishings for government buildings, except those intended for showcase, trade and commerce, promotion of arts and culture and use of dignitaries.
8. Installation of highly sophisticated outdoor signs, billboards and neon signs advertising the office, except for banks, trading corporations, hotels, or buildings used for culture and arts.



**Cases that are considered "Unconscionable" Expenditures of Government Funds**

1. Grant of exorbitant and unreasonable bonuses, allowances and fringe benefits to public officials and employees and members of governing boards.
2. Live-in seminars in five-star hotels with significant numbers of participants and unreasonable period of time.
3. Payment of excessive and unreasonable retirement benefits.
4. Purchase of supplies and materials including agricultural equipment/machineries and other farm inputs in significant quantities far exceeding the requirements and were not actually needed, thus, left idle and unused.
5. Extension of loans in significant and unreasonable amount to unqualified borrowers whereby recovery of the loans granted is remote.
6. Overpricing in significant amounts exceeding 100 percent of the current and prevailing market value.
7. Payment for repairs of government equipment involving significant amount exceeding 100 percent of the current market value price of the same or similar equipment.
8. Release of significant amounts to NGOs/POs without evaluating the necessity of the project, the needs of the intended recipients and the reasonableness of the project requirements.



**ANNEX "G"**

AREA	RELEVANT RULES AND REGULATIONS	SUBJECT
Cash Advances	COA Circular No. 97-002 dated February 10, 1997	Reinstatement with amendments of the rules and regulations on the granting, utilization and liquidation of cash advances provided for under COA Circular No. 90-331 dated May 3, 1990
	CSC Resolution No. 040676 dated June 17, 2004 OMB Memorandum dated March 17, 2004	Policy guidelines to govern liquidation of cash advances and the penalty imposed for failure of accountable officers to liquidate within prescribed period
	COA Memorandum No. 2004-014 dated February 24, 2004	Submission of Reports on Unliquidated Cash Advances to the Civil Service Commission, Presidential Anti-Graft Commission, Office of the Ombudsman or Department of Justice
Traveling Expenses	COA Circular No. 2005-003 dated September 22, 2005	Revision of COA Circular No. 2004-004 dated July 27, 2004 entitled Utilization of the Itinerary/Receipt and Used Boarding Pass as Liquidating Documents for Plane Travel
	E.O. No. 459 dated September 1, 2005	Streamlining the procedure in the disposition of requests of government officials and employees for authority to travel abroad
	A.O. No. 103 dated August 31, 2004	Directing the continued adoption of austerity measures in the government
	E.O. No. 298 dated March 23, 2004	Prescribing rules and regulations and new rates of allowances for official local and foreign travels of government personnel
	Office of the President (OP) Memorandum Circular (MC) No. 52 dated October 2, 2003	Suspension of the Grant of Clothing Allowance in Connection with Foreign Trips
Salaries	DBM National Budget Circular (NBC) No. 2005-502 dated October 26, 2005	Clarification of COLA
	OP Memorandum Order (MO) No. 20 dated June 25, 2001	Pay rationalization plan for all senior officer positions of GOCCs and GFIs and their subsidiaries
	R.A. No. 6758 dated August 21, 1989	An Act Prescribing a Revised Compensation and Position Classification System in the Government and for Other Purposes
	CSC MC No. 15, s. 1999	CSC Revised Omnibus Rules on Appointments and Other Personnel Actions on Salaries
	E.O. No. 24 dated February 10, 2011	Prescribing Rules to Govern the Compensation of Members of the Board of Directors/Trustees in GOCCs including GFIs
Step Increment	CSC-DBM Joint Circular No. 1-2003 dated April 21, 2003	Amending Further Joint CSC-DBM Circular No. 1, s. 1990
	DBM Circular Letter (CL) No. 7-96 dated March 4, 1996	Determination of the step increments due to length of service of officials whose positions are allocated to Salary Grade 30 to 32
	Joint CSC-DBM Circular No. 1, s. 1990	Rules and Regulations Governing the Grant of Step Increments to Deserving Officials and Employees of the Government

AREA	RELEVANT RULES AND REGULATIONS	SUBJECT
Hazard Duty Pay	DBM Budget Circular (BC) No. 2005-4 dated July 13, 2005	Rules and Regulations on the Grant of Hazard Duty Pay
	R.A. No. 8439 dated December 22, 1997	Magna Carta for Scientists, Engineers, Researchers and Other Science and Technology Personnel in the Government
	R.A. No. 7305 dated March 26, 1992	Magna Carta of Public Health Workers
Longevity Pay	CSC MC No. 41, s. 1998	CSC Omnibus Rules on Leave on Longevity pay
Overtime Pay	DBM BC No. 10 dated March 29, 1996	Prescribing and Updating the Guidelines and Procedures on the Rendition of Overtime Services with Pay of Government Personnel
	DBM BC No. 2004-5A dated October 7, 2005	Guidelines on the grant of honoraria to government personnel involved in government procurement
	Joint CSC-DBM Circular No. 2, s. 2004 dated October 4, 2004	Non-Monetary Remuneration for Overtime Services Rendered
Year-end Bonus and Cash Gift	DBM BC No. 2010-1 dated April 28, 2010	Rules and Regulations on the Grant of the Year-End Bonus and Cash Gift for FY 2010 and Years Thereafter
	Section 49, General Provisions, 2012 GAA or similar/pertinent provisions of the GAA for the particular year	Year-end Bonus and Cash Gift
Retirement Benefits	R.A. No. 8291	The Government Service Insurance System Act of 1997
	R.A. No. 1616 R.A. No. 660	An Act further amending Section 12 of Commonwealth Act No. 186, as amended, by prescribing two other modes of retirement and for other purposes.
	Office of the Ombudsman (OMB) MC No. 10, s. 1995	Revised Circular on Ombudsman clearance
	E.O. No. 366 dated October 4, 2004	Directing a Strategic Review of the Operations and Organizations of the Executive Branch and Providing Options and Incentives for Government Employees who maybe Affected by the Rationalization of the Functions and Agencies of the Executive Branch
Terminal Leave Benefits	CSC Omnibus Rules Implementing The Revised Administrative Code of 1987	CSC Omnibus Rules Implementing Book V of E.O. No. 292 on Leave of absence
	CSC MC No. 6, s. 2002	Revised Policies on the Grant of Loyalty Award
	CSC MC No. 14, s. 1999	Additional Provisions and Amendments to CSC MC No. 41, s. 1998
	CSC MC No. 12 dated July 24, 2007	Clarification on the Grant of Leave Benefits to Barangay Officials
	CSC DBM Joint Circular No. 1, s. 2004	Leave Benefits of Barangay Officials
	DBM BC No. 2002-1 dated January 14, 2002	Computation and Funding of Terminal Leave Benefits and Monetization of Leave Credits

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AREA	RELEVANT RULES AND REGULATIONS	SUBJECT
Collective Negotiation Agreement (CNA) Incentive	DBM BC No. 2006-1 dated February 1, 2006	Grant of CNA Incentive
	A.O. No. 135 dated December 27, 2005	Authorizing the grant of CNA Incentive to employees in government agencies
	PSLMC Resolution No. 4,s. 2002	Grant of CNA Incentive for NGAs, SUCs and LGUs
	Resolution No. 2, s. 2003	PSLMC, Grant of CNA Incentive for GOCCs and GFIs
	E.O. No. 180 dated June 1, 1987	Providing Guidelines for the Exercise of the Right to Organize of Government Employees, creating a PSLMC and for other Purposes
Honoraria and other allowances	DBM Local Budget Circular (LBC) No. 89 dated June 23, 2008	Guidelines on the Release and Utilization of Funds Chargeable Against the Financial Subsidy to LGUs for FY 2008
	DBM LBC No. 62 dated July 29, 1996	Guidelines on the Grant of Honoraria in the LGUs
	DBM BC No. 2007-3 dated November 29, 2007	Amendments to Certain Provisions of BC No. 2004-5A Re: Guidelines on the Grant of Honoraria and Overtime Pay to Government Personnel Involved in Government Procurement
	DBM BC No. 2007-2 dated October 1, 2007	Guidelines on the Grant of Honoraria Due to Assignment in Government Special Projects
	DBM NBC No. 2007-510 dated May 8, 2007	Guidelines on the Grant of Honoraria to the Governing Boards of Collegial Bodies
	DBM BC No. 2007-1 dated April 23, 2007	Guidelines on the Grant of Honoraria to Lecturers, Resource Persons, Coordinators and Facilitators
	DBM BC Nos. 2004-5 and 2004-5A dated March 23, 2004 and October 7, 2005, respectively	Guidelines on the Grant of Honoraria to Government Personnel Involved in Government Procurement
	A.O. No. 103 dated August 31, 2004	Directing the continued adoption of austerity measures in the government
	DBM Budget Execution Guidelines No. 2004-01 dated January 8, 2004	Updated Rules and Regulations on the Grant of Additional Allowance and Other Benefits to National Government Officials/Employees Assigned to LGUs
	DBM BC No. 2003-6 dated September 29, 2003	Guidelines relative to the grant of per diems to members of collegial bodies and members of the Board of Regents/Trustees of SUCs
	DBM BC No. 16 dated November 28, 1998	Grant of Amelioration Assistance to All Government Personnel
	A.O. No. 365 dated October 10, 1997	Authorizing the Grant of Amelioration Assistance to All Government Personnel and Prohibiting Payments of Similar Benefits in Future Years Unless Authorized by the President
	R.A. No. 6758 dated August 21, 1989	An Act Prescribing a Revised Compensation and Position Classification System in the Government and for Other Purposes
	Section 15 of the IRR of R.A. No. 9184	Honoraria of BAC and TWG Members



AREA	RELEVANT RULES AND REGULATIONS	SUBJECT
Hiring of private lawyers	COA Circular No. 98-002 dated June 9, 1998	Prohibition against employment by local government units of private lawyers to handle their legal cases
	OP MC No. 9 dated August 27, 1998	Prohibiting GOCCs from referring their cases and legal matters to the Office of the Solicitor General, private legal counsel or law firms and directing the GOCCs to refer their cases and legal matters to the Office of the Government Corporate Counsel, unless otherwise authorized under certain exceptional circumstances
	COA Circular Nos. 95-011 and 86-255 dated December 4, 1995 and April 2, 1986, respectively	Prohibition/Inhibition against employment by government agencies and instrumentalities, including GOCCs, of private lawyers to handle their legal cases
	Section 72 of the IRR, R.A. No. 9184	Private Legal Assistance
Extraordinary and Miscellaneous Expenses	COA Circular No. 2006-001 dated January 3, 2006	Guidelines on the Disbursement of EME and other similar expenses in GOCCs/GFIs and their Subsidiaries
	COA Circular No. 89-300 dated March 21, 1989	Audit Guidelines on Disbursement for EME in NGAs Pursuant to Section 19 and Other Related Sections of R.A. No. 6688 (GAA for 1989)
	Section 325(h) of R.A. No. 7160	General Limitations on the Use of the Provincial, City and Municipal Funds
	DBM Legal Opinion No. L-B-2001-10 dated February 19, 2001	Local Government Budgeting – EME vis-à-vis Discretionary Fund
Fund transfers to NGOs/POs	COA Circular No. 2007-001 dated October 25, 2007	Revised guidelines in the granting, utilization, accounting and auditing of the funds released to NGOs/POs
	Government Procurement Policy Board (GPPB) Resolution No. 12-2007 dated June 29, 2007	Amendment of Section 53 of the IRR-A of R.A. No. 9184 – Prescribing the Guidelines on Participation of NGOs in Public Procurement
Purchase and Use of motor vehicles	A.O. No. 239 dated September 15, 2008	Prohibiting the use of government vehicles for purposes other than official business
	A.O. No. 233 dated August 1, 2008	Reiterating the prohibition on the acquisition and use of luxury vehicles and directing revisions of guidelines on government motor vehicles acquisition
	A.O. No. 121 dated June 30, 2005 COA Memorandum No. 2005-062 dated September 7, 2005	Directing all government offices to strictly comply with A.O. No. 3, s. 2001 prohibiting the acquisition and use by Government offices including GOCCs, GFIs, SUCs, LGUs of luxury vehicles
	DBM NBC No. 446, s. 1995 DBM NBC No. 446-A dated January 30, 1998	Guidelines on the acquisition and rental of motor vehicles
	COA Circular No. 77-61 dated September 26, 1977	Prescribing the use of the Manual of Audit for Fuel Consumption of Government Motor Vehicles
	DBM BC No. 2010-2 dated March 1, 2010	Guidelines on the Acquisition and Use of Government Motor Vehicles



AREA	RELEVANT RULES AND REGULATIONS	SUBJECT
Procurement of goods, infrastructure projects and consulting services	COA Circular No. 2009-001 dated February 12, 2009	Restatement with amendment of COA Circular No. 87-278 and COA Memorandum No. 2005-027 re: submission of copy of government contracts, purchase orders and their supporting documents to COA
	A.O. No. 227 dated May 27, 2008	Directing all heads of departments, bureaus, offices and agencies of the national government, including LGUs, GOCCs, GFIs, SUCs and military and police units to give preference in the procurement of materials and supplies, produced, made and manufactured in the Philippines
	E.O. No. 423 dated April 30, 2005 and E.O. No. 645 dated July 31, 2007 Amending Section 4 of E.O. No. 423	Repealing E.O. No. 109-A dated September 18, 2003 Prescribing the Rules and Procedures on the Review and Approval of All Government Contracts to Conform with R.A. No. 9184 otherwise known as Government Procurement Reform Act
	COA Memorandum No. 2005-027 dated February 28, 2005	Amendments to COA Memorandum No. 91-704 dated February 27, 1991 on the Documentary Requirements for the Evaluation of the Technical Aspect of All Government Contracts and Inspection of Government Projects
	A.O. No. 103 dated August 31, 2004	Directing the continued adoption of austerity measures in the government
	R.A. No. 9184 dated January 10, 2003 and its Revised IRR	An Act Providing for the Modernization, Standardization and Regulation of the Procurement Activities of the Government and for Other Purposes
	COA Circular No. 79-122 dated December 18, 1979	Letter of Instructions No. 968 dated December 17, 1979 Ensuring that Contracts are Signed Only When Supported by Available Funds
	COA Circular No. 80-122A dated January 15, 1980	Ensuring that Change Orders, Extra Work Orders, and Similar Supplementary or Amendatory Agreements are Approved When Supported by Available Funds
	COA Circular No. 82-122-B / NBC Circular No. 359 dated January 18, 1982	Certificate as to Availability of Funds as provided for under Section 86 of PD 1445, LOI 968 and Section 46 of PD 1177
	GPPB resolutions, circulars, policy and non-policy memoranda	Procurement of goods, infrastructure projects and consulting services
E.O. No. 182, s. 1987	Rationalizing Public Works Measures, Appropriating Funds for Public Works and for other purposes	
Confidential and Intelligence activities	COA Circular No. 2003-002 dated July 30, 2003	Audit and Liquidation of Intelligence and Confidential Funds for National and Corporate Sectors
	COA Circular No. 2003-003 dated July 30, 2003	Audit and Liquidation of Intelligence and Confidential Funds of LGUs
	DILG MC No. 99-100 dated June 15, 1999	Use of public funds for intelligence or confidential activities

AREA	RELEVANT RULES AND REGULATIONS	SUBJECT
	DILG MC No. 99-65 dated April 23, 1999	Amending MC No. 98-136 dated July 24, 1998 entitled, Revised Guidelines relative to the utilization of funds for intelligence or confidential purposes
	Section 60, General Provisions, 2012 GAA or similar/pertinent provisions of the GAA for the particular year	Confidential and Intelligence Funds
Media ads and other transactions	A.O. No. 103 dated August 31, 2004	Directing the continued adoption of austerity measures in the government
Road Right-of-Way (ROW)	R.A. No. 8974 dated November 7, 2000 and its IRR dated February 12, 2001	An Act to Facilitate the Acquisition of ROW, Site or Location for National Government Infrastructure Projects and for Other Purposes
Lease Contracts	COA Circular No. 88-282A dated March 3, 1988	Uniform standards/guidelines to determine the reasonableness of the terms and rental rates of lease contracts for private or government buildings spaces
	Unrepealed portions of E.O. No. 301, s. 1987	Decentralizing actions on government negotiated contracts, lease contracts and records disposal
	GPPB resolutions, circulars, policy and non-policy memoranda	Lease contract
Lakbay-Aral & Attendance to trainings	DILG MC No. 2007-83 dated July 25, 2007	Advisory re: Conduct/Attendance to Trainings, Seminars, Conferences, Lakbay-Aral and Similar Activities by Barangay Officials
Rental Contracts	DBM NBC Nos. 446, s. 1995, 446A, s. 1998	Guidelines on the acquisition and rental of motor vehicles
	Section 76, Chapter 7, Book VI of E.O. No. 292 dated July 25, 1987	Limitation on Rental of Motor Vehicles
RATA	COA Circular Nos. 99-002 dated June 15, 1996 and 2000-005 dated October 4, 2000	Entitlement to transportation allowance of government officials
	Section 45, General Provisions, 2012 GAA or similar/pertinent provisions of the GAA for the particular year	Representation and Transportation Allowances