



**Republic of the Philippines**  
**Department of Social Welfare and Development**  
Batasan Pambansa Complex, Constitution Hills  
Quezon City  
Telephone No. 931-8101 to 07

**MEMORANDUM CIRCULAR NO. 37**

Series of 2004

**TO :** All Officials and Employees  
Central and Field Offices

**SUBJECT :** FY 2004 Austerity Measures on the Use of Maintenance and  
Other Operating Expenses and Capital Outlays Funds

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In pursuit of the provisions of Administrative Order No. 103 issued on 31 August 2004, Directing the Continued Adoption of Austerity Measures in the Government and instructing agencies to prepare an austerity plan to implement said Order, the following guidelines are hereby issued:

**1. TRAVEL**

**1.1** Authority for foreign travels of officials and employees shall be suspended except for the following:

**1.1.1** Foreign travel to attend ministerial meetings or to meet international commitment of the Philippine Government or the Department; and

**1.1.2** Scholarship/training that is grant-funded or undertaken at no cost to the Government. However, the pre-departure expenses and clothing allowance shall be provided by the Department in accordance to Executive Order No. 248, s. 1994 as amended under EO No. 298, s. 2004 subject to the availability of funds.

**1.2** Local travel shall be limited to activities considered as urgently/extremely necessary and duly approved by the Secretary or her authorized representatives and the Field Director in case of Field Offices. Local travel funded by grant or at no cost to the Department may be allowed if the activity is in pursuit of DSWD mandate. Only those who are identified as necessary and directly involved in the completion of the activities indicated in the travel order shall be allowed to travel. The following shall be considered urgently and extremely necessary travels, among others:

**1.2.1** Foreign assisted project activities;

**1.2.2** Disaster operation and/or activities addressing crisis situations;

**1.2.3** Activities of the Head of the Department; and

**1.2.4** Activities contained in instructions of the President or DSWD Secretary.

- 1.3 Officials and employees including MOA workers and consultants on official travel to the Field Offices and who were provided with free board and/or lodging accommodations shall no longer be allowed to collect per diem. Any cash advance received for the purpose shall be refunded by concerned official/employee. Otherwise, a certificate from the Field Director that no free board and/or lodging accommodation was provided to said official/employee shall be attached to the claim for per diem.

## 2. TRAINING.

- 2.1. Attendance to trainings/seminars/ conferences/conventions sponsored by private institution shall be subject to the availability of funds and approval of the Head of the Department. The conduct of trainings/seminars/conferences/ conventions may be allowed if funded by existing foreign commitments, grant or provided at no cost to the government.
- 2.2. Only DSWD facilities shall be used as venues for trainings, seminars and other activities for Central Office. In the absence of DSWD facilities in the Field Offices, they may use facilities which are most economical but appropriate for the training. Use of hotels and purchase of training bags shall not be allowed, except if the training is funded by grants and foreign-assisted projects.
- 2.3. Press conferences, special meetings, and other activities of the Head of the Department may be conducted in appropriate venues for the occasions like function rooms in a hotel.

## 3. CULTURAL/SOCIAL/SPORTS ACTIVITIES AND MEETINGS.

- 3.1. The conduct of cultural, social and sports activities shall be temporarily suspended unless conducted at no cost to the Department.
- 3.2. On conduct of meetings, except meetings of the Head of the Department, meals and snacks served shall not exceed P140/pax and P50/pax, respectively. Meetings shall be scheduled in such a manner that will not incur the provision of meals, if possible.

## 4. SUPPLIES AND MATERIALS.

- 4.1. The internet and Local Area Network facilities shall be used for sending internal communication to economize the use of paper and Information Technology consumables.
- 4.2. Recycling of used office supplies shall be practiced and maximized for reproduction of documents.





5. **TRANSPORT VEHICLE.** The following scheme shall be implemented to save cost of fuel for vehicles:

5.1 Carpooling is hereby encouraged especially for out of town trips.

5.2 The Heads of Offices/Bureaus/Services are advised to plan trips and combine activities of the staff to reduce the number of trips.

5.3 The use of premium grade or high-octane gasoline unless specified for the vehicle shall be avoided.

6. **UTILITIES.** All electrical equipment shall be turned off when not in use. Air-conditioning units shall be turned on not earlier than 9:00 A.M. and turned off by 4:00 P.M.

7. **COMMUNICATION EQUIPMENT.**

7.1. All officials and staff are hereby encouraged to exercise self regulation on the use of cellular phone so as not to incur enormous telephone bills. They are enjoined to limit their cellular phone usage to the following cost allocation, except for justifiable reasons such as situations which require immediate monitoring/coordination with units under jurisdiction:

Undersecretary	3,500
Assistant Secretary	2,500
Director	1,500
Division Chief	900
Selected Technical Staff, excluding the Office of the Secretary	600

7.2. The use of landline instead of cellphone is hereby directed for inter-office communication and the use of texting, if possible, instead of landline and cellphone for long distance communication.

8. **CAPITAL EXPENDITURES.** Except for foreign assisted projects, procurement of equipment, furniture and fixture shall be subject to prioritization and approval of the Secretary or Field Director for Field Offices.

9. **MAINTENANCE INSPECTION.** Regular inspection of water and plumbing connections to detect leaks shall be undertaken in Central Office, Regional Offices, Centers and Institutions. Head of Offices/Units concerned shall report immediately to the Maintenance Section/person any maintenance and/or repair services needed.



10. **MONITORING AND REPORTORIAL REQUIREMENTS.** Pursuant to Section 9, Article IX of the Collective Negotiation Agreement (CNA), the Committee on Fund Source for CNA Incentives and Mechanism for Monitoring Savings shall monitor and submit quarterly report to EXECOM on compliance of austerity measures every 15<sup>th</sup> of the month after each quarter.

This Circular shall also serve as one of the cost-saving measures contemplated in the CNA between DSWD Management and the Social Welfare Employees Association of the Philippines to generate savings to meet the commitments stipulated in said Agreement.

This circular shall be effective immediately.

Done in Quezon City this 4 th day of ~~October~~, 2004.

  
**LUWALHATI F. PABLO**  
Officer-in-Charge

A CERTIFIED COPY:

  
**CARMELITA F. ZAFRA**  
Chief, General Services Division  
and OIC, Records Unit