

ADMINISTRATIVE ORDER NO. 224

DIRECTING THE CONTINUED ADOPTION OF CERTAIN ECONOMY
MEASURES FOR FY 1991

WHEREAS, the emergency situation has been alleviated and the fiscal condition has correspondingly improved;

WHEREAS, while certain economy measures may be lifted to free more authorized resources to carry out government programs, there is still a need to maintain prudence in government spending;

WHEREAS, there is a need to clarify the remaining measures that need to be adopted by all agencies concerned;

NOW, THEREFORE, I, CORAZON C. AQUINO, President of the Philippines, by virtue of the powers vested in me by law, do hereby order:

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SECTION 1. **Coverage.** All national government agencies, including government-owned or controlled corporations, and local government units shall be covered by the economy measures prescribed hereunder for FY 1991, except the following:

- a. Local government activities funded from local funds which, for the purpose of this Administrative Order, shall mean the Internal Revenue Allotment (IRA), Specific Tax Allotment (STA), Local Government Revenue Stabilization Fund (LGRSF) and other locally-generated revenue sources; and
- b. Government-owned or controlled corporations which do not receive any form of government financial assistance, specifically equity, subsidy, advances for debt servicing and tax subsidy.

SEC. 2. **Specific Economy Measures.** The following economy measures shall continue to be adopted in FY 1991:

- a. Deferment of the Hiring of Consultants, Contractuals and Casuals. The hiring of consultants, contractuals and casuals shall be deferred, except in the following cases:
 1. For foreign-assisted projects where the hiring of consultants and other related personnel to these projects is explicitly provided under the terms and conditions of the loan agreement;

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2. Agencies which are staffed by contractuels pursuant to existing policy or by law; Provided, That in no case shall the actual number of existing personnel or warm bodies as of 31 December 1990 be exceeded;
3. The hiring of contractuels and casuals whose salaries are chargeable against lump sum funds specifically authorized by law for the purpose, subject to the determination by the Department Secretary or head of agency concerned of the essentiality of their services;
4. The rehiring of part-time physicians by government hospitals;
5. The hiring of substitutes to personnel on leave.

b. Discontinuance of the grant and payment of honoraria and similar allowances. The grant and payment of honoraria and similar allowances shall be discontinued, except the following:

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1. Representation and transportation allowances as authorized in the General Appropriations Act;
2. Allowances to barangay captains as authorized in the General Appropriations Act;
3. Honoraria to day-care workers of the Department of Social Welfare and Development;
4. Allowances to scholars;
5. Service fees authorized under the General Appropriations Act;
6. Allowances to military personnel detailed with members of Congress and officials of the national government with at least a cabinet rank, or assigned as security in on-going infrastructure projects and critical government facilities located in strife-torn, embattled and security areas as certified by the Secretary of National Defense; and
7. Payment of honoraria to officials and employees who are entitled thereto under existing law, jurisprudence and

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policy while rendering services in inter-agency committees created by law or by Presidential directive.

For purposes of this Administrative Order, the following payments are not considered honoraria:

1. For teaching overload in the Department of Education, Culture and Sports, schools and state universities and colleges;
2. For teaching in schools maintained by special hospitals under the Department of Health;
3. For duly authorized per diems of members of the Board of Regents or Board of Directors/Trustees of state universities and colleges;
4. For executive positions in state universities and colleges filled by designation from among the faculty members;
5. For duly authorized per diems and/or fees of members of the Board of Directors/Trustees of government-owned or controlled corporations, subject to the decision of the Supreme Court in G.R. No. 83896 entitled Civil Liberties Union of the Philippines vs. The Executive Secretary;
6. For services of lecturers and resource persons in training programs, where the conduct of such training program is a regular function of the agency concerned;
7. For services rendered by a private sector representative in a duly authorized inter-agency committee;
8. For the services of a judge by virtue of his designation as Executive Judge;
9. For municipal treasurers deputized by the Bureau of Internal Revenue to collect and remit revenue collections;
10. For government personnel including teachers deputized by the Commission on Elections during electoral exercises;
11. For government personnel deputized by the National Statistical Coordination Board for the conduct of census and statistical surveys;

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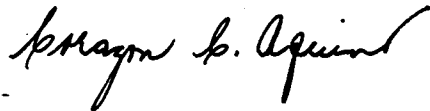
12. For Zoning Administrators deputized by the Housing and Land Use Regulatory Board; and
 13. For duly authorized per diems and reimbursement of expenses incurred in official travels.
- c. Suspension of all foreign travels. All foreign travels shall be suspended, except those fully funded from grants, or those expressly authorized by the Office of the President. In cases where funding by the donor agencies does not include clothing allowance and pre-travel expenses, the recipients of scholarship or training grants may collect clothing allowance and funding for pre-travel expenses against the funds of their respective agencies, subject to the terms and conditions specified in Executive Order No. 401.
- d. Disallowance of the purchase of motor vehicles. The purchase of motor vehicles for management and staff use shall continue to be disallowed.
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e. Disallowance of overtime payment in excess of sixty (60) hours per month. The payment of overtime services in excess of sixty (60) hours per month shall be disallowed, except as may be authorized by the Department Secretary or head of agency concerned pursuant to the provisions of Memorandum Order No. 228, series of 1989. Further, the total overtime compensation which may be allowed an employee for a given calendar year shall not exceed fifty percent (50%) of his basic annual salary. Furthermore, total overtime payments made in any given calendar year shall not exceed five percent (5%) of the agency payroll for personal services; Provided, That allowances drawn for actual official expenses incurred in special projects shall be excluded from the said ceiling.

SEC. 3. Responsibility of the Department of Budget and Management. The Department of Budget and Management shall continue to submit to the Office of the President a quarterly report on the status of the implementation of this Administrative Order.


SEC. 4. Repealing Clause. Administrative Order No. 205, Series of 1991, is hereby superseded. All other issuances on economy measures and their corresponding rules and regulations inconsistent with the provisions of this Administrative Order are hereby repealed and/or modified accordingly.

SEC. 5. Effectivity. This Administrative Order shall take effect immediately.

DONE in the City of Manila, this 13th day of June, in the year of Our Lord, nineteen hundred and ninety-one.



By the President:



OSCAR M. ORBOS
Executive Secretary