



**DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES
KAGAWARAN NG KAPALIGIRAN AT LIKAS YAMAN**



MEMORANDUM

TO : ALL REGIONAL EXECUTIVE DIRECTORS

ATTENTION : WATER RESOURCES UTILIZATION SECTION (WRUS)

FROM : THE UNDERSECRETARY
Integrated Environmental Science and Supervising Undersecretary for
Water Resource Management Office

**SUBJECT : ENDORSEMENT OF THE CONTRACT TEMPLATE FOR THE
HIRING/RENEWAL OF WATER RESOURCES UTILIZATION
SECTION (WRUS) TECHNICAL SUPPORT STAFF**

DATE : JUL 11 2024

In line with the concerns of the Contract of Service (COS) Technical Support Staff (TSS) hired by the Regional Offices to support the Water Resources Utilization Section (WRUS), may you be clarified that the Maintenance and Other Operating Expenses (MOOE) downloaded through Sub-Allotment Advice (SAA) amounting to P2,400,000.00 per region is primarily intended to cover costs of monitoring activities including daily travel expenses (DTE) of WRUS personnel and COS TSS hired.

Upon consultation with the Human Resource Development Service (HRDS), we are furnishing you with a copy of the contract template used by the DENR Central Office that contains a provision on claiming DTE, which you may use as basis for the hiring or renewal of the DENR Regional Offices COS TSS. We are also sharing a copy of the COA Legal Opinion No. 108-2023 clarification on the entitlement of COS personnel hired in the DENR Central Office in Claiming daily travel expenses for your ready reference.

For your guidance.


CARLOS PRIMO C. DAVID, Ph.D.

cc: **The Undersecretary, Organizational Transformation and Human Resources**
The OIC Director, Human Resource Development Service.

MEMO NO. 2024 - 612

CONTRACT OF SERVICE

KNOW ALL PERSONS BY THESE PRESENTS:

This contract is made and entered into by and between:

DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES (DENR), a national government agency of the Republic of the Philippines with office address at Visayas Avenue, Diliman, Quezon City, herein represented by **(First Party)**, hereinafter referred to as the "First Party";

-and-

(Second Party), of legal age, Filipino and with residence address at , hereinafter referred to as "Second Party";

WITNESSETH:

WHEREAS, the First Party is in need of the services of the Second Party who shall render work not performed by the regular personnel of the First Party;

WHEREAS, the Second Party possesses the education, experience, and skills required to render the services needed by the First Party;

WHEREAS, the Second Party has signified intention, to which the First Party has accepted, to provide the services needed by the latter;

WHEREAS, the Second Party hereby attests that s/he is not related within the third degree of consanguinity or affinity to the: 1) hiring authority, 2) immediate supervisor, and/or 3) representative of the First Party; that s/he has not been previously dismissed from government service by reason of an administrative offense; and that s/he has not already reached the compulsory retirement age of sixty-five (65);

WHEREAS, it is understood that this Contract does not create an employer-employee relationship between the First Party and the Second Party; that the services rendered hereunder are not considered and will not be accredited as government service; and that the latter is not entitled to benefits enjoyed by regular personnel of the First Party;

WHEREAS, the Second Party shall perform work at a time and schedule to be agreed upon by both parties;

NOW, THEREFORE, the parties agree as follows:

SECTION 1. This Contract shall cover the period from **(Contract Period)**, subject to Section 7 hereof.

SECTION 2. The Second Party is hereby contracted as **GIS SPECIALIST** and shall perform the following:

- a. Perform mapping and analysis using GIS and related software in populating the National Geospatial Database
- b. Develop workflows, codes, and algorithms for the efficient analysis of geospatial data
- c. Perform other related tasks as may be deemed necessary to carry out the aforementioned activities and functions deemed relevant by the Secretary and the Geospatial Database Office.

SECTION 3. For services rendered under this Contract the Second Party shall receive a daily compensation to be computed at a daily rate in the amount of **(Salary Daily Rate)**, inclusive of tax, to be paid on a semi-monthly basis based on actual number of days of services rendered, chargeable against **(Office)** Funds.

For the purpose of payment for services rendered, the Second Party shall submit the following to the Head, **(Office)**:

3. Daily Time Record and Proof of Attendance; and
4. Detailed Accomplishment Report.

SECTION 4. The Second Party shall be authorized to participate in orientation directly related to the execution of the herein terms of reference with the objective of informing him/her of the quality of work output.

SECTION 5. In view of the nature as well as the necessity of the tasks, the Second Party shall be entitled to travel expenses chargeable against the **(Office)** Funds, subject to the usual accounting and auditing rules and procedures. The Second Party shall be entitled to claim daily travel expenses, in accordance with COA Resolution No. 2021-044, and relevant laws, rules, and regulations.

SECTION 6. The herein provisions shall not, in any way, establish any employer-employee relationship between the Parties.

SECTION 7. This contract may be terminated by either party for any reason as may be deemed appropriate before the expiration of the period indicated in Section 1 hereof, giving the other party prior written notice not less than fifteen (15) days before the intended day of termination.

The First Party, also, reserves the right to pre-terminate this Contract for any serious dishonesty or falsification of official documents; loafing from duty during official/regular working hours; habitual neglect of duties; and violation of any of the terms and conditions set herein.

Proof of duly received notice of pre-termination from either party shall be submitted to the Personnel Division for record purposes.

SECTION 8. Within the contract period, the First Party may require the Second Party to submit himself/herself for drug test as deemed necessary, at the cost of the First Party. Any confirmatory positive result from random drug testing shall serve as sufficient ground for pre-termination of this contract.

IN WITNESS WHEREOF, both parties have hereunto set their hands this _____ at the DENR Office, Visayas Avenue, Diliman, Quezon City.

**DEPARTMENT OF ENVIRONMENT
AND NATURAL RESOURCES**

By:

First Party

Second Party

Signed in the presence of:

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)
QUEZON CITY) S.S.

BEFORE ME, a Notary Public for and in the above jurisdiction, personally appeared in the following:

Name	Government Issued ID	Date and Place Issued

known to me to be the same person who executed the foregoing instrument and acknowledged to me that the same is their own free will and voluntary act and deed.

This instrument consists of the three (3) pages including this page wherein this Acknowledgement is written, and is signed by the parties and their instrumental witnesses on each and every page hereof.

WITNESS MY HAND AND SEAL, this ____ day of _____ at _____, Philippines.

NOTARY PUBLIC

Doc. No. _____
Page No. _____
Book No. _____
Series of _____



REPUBLIC OF THE PHILIPPINES
COMMISSION ON AUDIT
COMMONWEALTH AVENUE, QUEZON CITY

**NATIONAL GOVERNMENT AUDIT SECTOR
CLUSTER 8 – AGRICULTURE & ENVIRONMENT**

MEMORANDUM

TO : **EDSON M. YAMBOT**
Audit Team Leader
Department of Environment and Natural Resources – Central
Office (DENR-CO)

THRU : **LORELIE M. PLACIDO**
OIC-Supervising Auditor
DENR 1 Audit Group

FROM : *Corazon S. Rocas*
CORAZON S. ROCAS
Director III
Officer-in-Charge
This Cluster

SUBJECT : Letter dated May 15, 2023 of Ms. Estela S. De Guzman,
Development Manager Officer II, Office of the Undersecretary
for Field Operations – Mindanao, DENR, seeking clarification
on the entitlement of Contract of Service personnel hired in
the DENR-CO in claiming daily travel expenses

DATE : October 18, 2023

We forward the COA Legal Opinion No. 108-2023 of the Legal Affairs Office, Legal Services Sector, contained in its Memorandum dated October 11, 2023 on the above subject.

Kindly furnish a copy of the same to Ms. De Guzman in response to her subject letter.

NGAS8
MGBM/CSR/NFMB
NGS-CL8-OD-2023-05-069685



OFFICE OF THE ASST. COM. N.
NATIONAL GOVERNMENT SECTOR

Received By: *[Signature]*
OCT 17 2023

REPUBLIC OF THE PHILIPPINES
COMMISSION ON AUDIT
Commonwealth Avenue, Quezon City
LEGAL SERVICES SECTOR
LEGAL AFFAIRS OFFICE

COA LEGAL OPINION
No. 108 -2023

MEMORANDUM

FOR : MELISSA GRACE B. MARTINEZ
Director IV
Cluster 8 – Agriculture and Environment

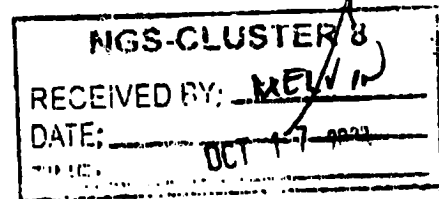
THRU : MARTHA ROXANA C. SESE
Assistant Commissioner
National Government Audit Sector

FORTUNATA M. RUBICO
Assistant Commissioner
Office of the General Counsel
This Sector

FROM : *[Signature]*
DARYL H. TONOLETE
Director IV
This Office

SUBJECT : Letter dated May 15, 2023 of Ms. Estela S. De Guzman, Development Manager Officer II, Office of the Undersecretary for Field Operations – Mindanao, Department of Environment and Natural Resources, seeking clarification on the entitlement of Contract of Service personnel hired in the DENR-Central Office in claiming daily travel expenses

DATE : October 11, 2023



This refers to your Memorandum dated June 13, 2023 on the above subject.

The Undersecretary for Field Operations-Mindanao, Department of Environment and Natural Resources (DENR), is seeking clarification on several issues pertaining to the benefits that can be accorded to Contract of Service (COS) personnel, including the provision of travel expenses under COA Resolution No. 2021-044¹ dated December 28, 2021. The issues raised shall be discussed consecutively, thus:

¹ Guidelines Governing the Audit of Traveling Expenses of Personnel Hired Under Job Order/Contract of Service.

1. Is a COS personnel allowed to go on official local travel regardless of his/her rank and position as stated in his/her contract?

This Office agrees with the view of that Office that any COS personnel may be allowed to go on official local travel regardless of rank provided that the purpose of the travel falls under any of the circumstances enumerated under Item A(1)² of COA Resolution No. 2021-044.

2. Is the amount of traveling expenses that can be claimed by a COS personnel the same with the traveling expenses allowed for regular employees provided it is in accordance with Executive Order (EO) No. 77³ dated March 15, 2019?

This Office concurs in your opinion that the amount of daily traveling expenses (DTE) that can be claimed by a COS personnel is not the same as that allowed for the regular employees under EO No. 77. The amount of DTE that a COS personnel may avail depends on the rates and terms agreed upon in the contract; or in the absence of that provision in the contract, the internal guidelines of the agency; or in the absence of the subject contractual provision and internal guidelines, the approved travel request/travel order. In all the above instances, the amount of DTE claimable shall not exceed the amounts allowed under EO No. 77. On the other hand, if payment of DTE is not provided in any of the above documents, then the COS personnel may not claim the same.

3. Is a COS personnel still authorized to claim both his DTE during his official travel and his actual additional services rendered during his official travel when it falls on Saturdays, Sundays, and holidays?

This Office agrees with the position of that Office that a COS personnel may claim DTE for travel done on weekends as long as the purpose is one of those enumerated under Item A(1) of COA Resolution No. 2021-044.

As regards the payment of daily rate for the additional services on the weekends, we agree that it would depend on the terms of the contract and/or the internal guidelines of the agency. If the contract and/or the internal guidelines provide for the payment of daily rate for work done on the weekends or holidays, then the COS personnel may claim the same in addition to DTE.

4. Are official receipts (ORs) for hotel accommodation, meals and incidental expenses needed when a COS personnel claims his DTE? What claims should be supported with the ORs?

This Office agrees with the view of that Office that presentation of ORs is not a requirement for claiming DTE through cash advance. Under Item 1.1.4.1 of Annex A

² Personnel hired under JO/COS may be allowed to go on official local travel for the purpose of (a) undertaking official missions/tasks which cannot be performed by/or assigned to any other regular/permanent official; and/or employee of the agency, and/or (b) performing tasks/activities necessary to be able to fulfill the obligations as contained in his/her contract of service.

³ Prescribing Rules and Regulations and Rates of Expenses and Allowances for Official Local and Foreign Travels of Government Personnel.

of COA Circular No. 2023-004⁴ dated June 14, 2023, requests for travel cash advance may be granted upon submission of the following documents only:

- a) Duly approved Office Order/Travel Order;
- b) Duly approved Itinerary of Travel
- c) Certification from the Chief Accountant at previous cash advances have been fully liquidated and accounted for in the books;
- d) Quotation of plane fare for similar dates, from at least three airline companies/travel agencies or its equivalent. In case of less than three quotations, a certification by the claimant attesting to such circumstance, signed by his/her supervisor; and
- e) Letter of invitation of the host/sponsoring agency/organization.

ORs are required to be presented only upon liquidation of the travel cash advance pursuant to Item 1.2.4.1⁵ of Annex A of COA Circular No. 2023-004.

5. Can a COS personnel already claim his/her DTE now for official travel incurred from January 2023 to present or do we need to wait for internal guidelines as this Resolution has been out since December 2021?

This Office respectfully disagrees with your opinion that traveling expenses should only be claimed prior to the official travel of the COS personnel. It is our opinion that DTEs for official travel done from January 2023 to present may still be claimed by the COS personnel through reimbursement.

6. When is a regular employee or COS personnel not allowed to claim his/her DTE while he/she is on official travel?

Regular employees and COS personnel are not entitled to claim DTEs when his/her travel is not compliant with EO No. 77, COA Resolution No. 2021-044 and Circular No. 2023-004.

7. Please clarify the "no employer-employee relationship" which is stated in the contract of COS personnel. Does it apply only on the benefits enjoyed by the regular employee? What particular matter in the contract does this phrase pertain to?

That Office is correct in stating that "no employer-employee relationship" means that COS personnel are not employees of the government and are not entitled to the benefits of regular employees, including:

- a) PERA, ACA, and RATA;⁶
- b) Overtime pay;⁷

⁴ Prescribing the Updated Documentary Requirements for Common Government Transactions, amending COA Circular No. 2012-001 dated June 14, 2012.

⁵ OR/eOR or CERR (for expenses amounting to P300 or less) or RER (for expenses amounting to more than P300 but not exceeding P1,000), pursuant to COA Circular No. 2017-001 dated June 19, 2017, as amended by COA Circular No. 2021-001 dated June 24, 2021, or other amount that may be prescribed in the future. In case of payment of toll fees, the CERR/RER shall be supported with the toll fee rates.

Hotel room/lodging bills with official receipts in the case of official travel to places within 50-kilometer radius from the last city or municipality covered by Metro Manila Area, if the travel allowances being claimed include hotel room/lodging

⁶ Section 1.b of CSC Resolution No. 021480.

⁷ Item 3.0 of DBM Budget Circular No. 10 dated March 29, 1996.

- c) Attendance to seminars or trainings;⁸
 - d) Social legislation benefits under the Labor Code, Solo Parents' Welfare Act of 2000, Republic Act (RA) No. 8187, Magna Carta for Public Social Workers, and Magna Carta for Public Health Workers;
 - e) Government Service Insurance System (GSIS) Group Personal Accident Insurance;⁹ and
 - f) Productivity Enhancement Incentive.¹⁰
8. Is a COS personnel not allowed to participate in or attend trainings and seminars being conducted by DENR-HRD wherein he/she can gain knowledge and skills that can be applied to his/her job?

This Commission is steadfast in ruling¹¹ that attendance to government funded seminars or trainings is a privilege/benefit that may be claimed by government employees only. Thus, we agree with that Office that COS personnel are not entitled to attend seminars or trainings at the expense of the government.

⁸ COA Decision No. 2022-369 dated January 28, 2022 citing Item 7.4 of CSC-COA-DBM JC No. 1, series of 2017.

⁹ RA No. 8201 or the "Revised Government Service Insurance System Act of 1997.

¹⁰ DBM Budget Circular No. 2017-4 dated December 4, 2017.

¹¹ COA Decision No. 2022-369 dated January 28, 2022; COA Decision No. 2022-424 dated January 28, 2022; COA Decision No. 2022-373 dated January 28, 2022.