



Republic of the Philippines
OFFICE OF THE CITY MAYOR
City of Naga, 4400



EXECUTIVE ORDER NO. 005

Series of 2025

**ESTABLISHING SPENDING AND MONITORING GUIDELINES FOR ALL
DEPARTMENTS AND OFFICES, TO PROMOTE TRANSPARENCY,
EFFICIENCY, AND ACCOUNTABILITY IN THE USE OF PUBLIC FUNDS**

WHEREAS, it is the policy of the State to promote prudence, efficiency, and accountability in government operations, particularly in the use of public funds, as mandated under the 1987 Constitution, the Local Government Code of 1991, and other applicable laws;

WHEREAS, the City Government of Naga recognizes the importance of establishing clear guidelines and internal control mechanisms for departmental spending to ensure that public resources are utilized judiciously, efficiently, and in accordance with approved modalities and limits;

WHEREAS, audit findings and operational reviews highlight the need to standardize spending practices across departments to avoid irregularities, inefficiencies, and misuse in program implementation;

WHEREAS, there is a need to establish consistent and reasonable internal financial controls that will ensure appropriate balance between providing adequate resources to meet the City's objectives while ensuring judicious and prudent use of government funds.

NOW, THEREFORE, I, MARIA LEONOR G. ROBREDO, Mayor of Naga City, by virtue of the powers vested in me by law, do hereby order the following:

SECTION 1. STATEMENT OF POLICY. It is hereby declared the policy of the City Government to institutionalize clear, consistent, and enforceable guidelines on departmental spending and monitoring to uphold the principles of good governance, fiscal discipline, and public accountability.

SECTION 2. SCOPE. This Executive Order shall apply to all departments, offices, units, and personnel of the City Government, including those under contracts of service, job order arrangements, and special projects funded by the city's Annual Budget.



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SECTION 3. ADOPTION OF SPENDING AND MONITORING GUIDELINES.

The City Government shall adopt the attached Spending and Monitoring Guidelines (Annex A) as the official guide for all day-to-day spending practices. This includes provisions on:

- A. Cash advances, reimbursements, and liquidation timelines;
- B. Spending ceilings for meals, travel, representation, and tokens;
- C. Use of Petty Cash Funds (PCF), including allowable items and caps;
- D. Supporting documentation and audit requirements;
- E. Standard allowable rates and exclusions, especially for travel and representation expenses;
- F. Discouragement of extravagant, excessive, and unconscionable expenditures.

SECTION 4. MONITORING AND REPORTING. The City Accountant shall monitor compliance with these guidelines and shall submit a Monthly Utilization Report per accountable office to the City Mayor within two (2) weeks after each month.

SECTION 5. CAPACITY BUILDING. The City Accounting Office and the City Human Resource and Management Office (CHRMO), shall regularly conduct mandatory training and capacity-building sessions for all procurement focal points and administrative staff of offices to ensure consistent understanding and compliance with these guidelines.

SECTION 6. DEPARTMENT, OFFICES, AND UNIT'S RESPONSIBILITY AND ACCOUNTABILITY. The head of each Department or Office shall be primarily responsible and accountable for ensuring full compliance with the guidelines and procedures set forth in this Executive Order. Departments, offices, and unit heads shall:

- A. Exercise oversight to guarantee that all expenditures and procurement activities within their respective units strictly adhere to the provisions of this Order and all applicable laws and regulations;
- B. Institute internal controls and monitoring mechanisms to prevent unauthorized, irregular, or inefficient spending; and
- C. Facilitate and support the participation of their staff in all relevant training and capacity-building activities organized by the City Government;



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SECTION 7. AMENDMENTS AND INTERPRETATION. This Order may be amended or supplemented as may be deemed necessary, and shall be interpreted to give full force and effect to the attainment of the declared policy and the operationalization of the principles of good governance.

SECTION 8. REPEALING CLAUSE. All issuances and orders inconsistent with this Order are hereby repealed, amended, or modified accordingly.


SECTION 9. SEPARABILITY CLAUSE. If any provision of this Order is declared unconstitutional or invalid, the other provisions not affected thereby shall remain in full force and effect.

SECTION 10. EFFECTIVITY. This Order shall take effect immediately and shall remain in effect unless otherwise revoked or amended, or until superseded by an ordinance.

DONE in the City of Naga, this 30th day of June, 2025.


MARIA LEONOR G. ROBREDO
City Mayor

Attested by: _____





ANNEX A:

SPENDING AND MONITORING GUIDELINES

DATE: 30 JUNE 2025

1.0 PURPOSE

These guidelines are being issued to establish consistent and reasonable internal financial controls that will ensure appropriate balance between providing adequate resources to meet the objectives of the City Government of Naga (CGN), while ensuring judicious and prudent use of government funds.

2.0 SCOPE

These guidelines apply to all personnel of the CGN relative to spending public funds in fulfilling its mandate.

These guidelines are intended to comprehensively cover common CGN transactions. Other transactions not explicitly covered in these guidelines, but are recommended as necessary in the exigency of service, shall be subject to the approval of the City Mayor upon the request of the head of the Department/Office/Unit (D/O/U) concerned.

3.0 GENERAL GUIDELINES

3.1 Expenditures shall be allowed based on the following general parameters:

3.1.1 Incurred in furtherance of the mission and strategic direction of the CGN, and is not irregular, unnecessary, extravagant, excessive, and unconscionable as defined under 3.2;



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- 3.1.2 Compliant with the appropriate procurement method;
 - 3.1.3 Supported by required documentary requirements for common government transactions under Commission on Audit (COA) Circular No. 2012-001;
 - 3.1.4 Supported by Certificate of Appropriation, Funds and Obligation of Allotment (CAFOA) verified by the City Budget Office (CBO), City Accounting Office (CAO), and CTO; and
 - 3.1.5 Approved by the head of the D/O/Us.
- 3.2 In approving requests, all heads of D/O/Us shall be guided by the Circulars issued by the COA to prevent incurrence of irregular, unnecessary, extravagant, excessive, and unconscionable expenditures, defined as follows:
- 3.2.1 Irregular Expenses - those incurred without adhering to established rules, regulations, procedural guidelines, policies, principles or practices that have gained recognition in law.
 - 3.2.2 Unnecessary Expenses - those incurred that are not supportive of the implementation of the objectives and mission of the agency relative to the nature of its operation.
 - 3.2.3 Extravagant - those 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.
 - 3.2.4 Excessive - those incurred without restraints, judiciousness and economy. These expenditures are immoderate, prodigal, lavish, luxurious, wasteful, grossly excessive, and injudicious.
 - 3.2.5 Unconscionable - those incurred without knowledge or a sense of what is right, reasonable and just, and not guided or



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restrained by conscience. These are unreasonable and immoderate expenses incurred in violation of ethics and morality by one who does not have any feeling of guilt for the violation.

3.3 D/O/Us should be conscientious in spending government funds. Employees are strongly encouraged to spend less than the maximum amounts allowed, as much as practicable, and to ensure that the concept of value for money and prudent spending are adhered to at all times.

3.4 All resource requirements shall be procured through appropriate procurement methods, and to the extent practicable, under bulk purchase.

3.4.1 The following common expenditures are not considered as procurement activities:

- a. Direct assistance, in cash or in kind, to beneficiaries in accordance with the existing laws, rules and regulations;
- b. Participation in local or foreign scholarships, trainings, continuing education, conferences, seminars or similar activities, including regular assessment or review programs and strategic planning sessions to meet agency performance targets that shall be governed by applicable COA, Civil Service Commission (CSC) and Department of Budget and Management (DBM) rules and regulations;
- c. Engagement of Contract of Service (COS) and Job Order (JO) worker; and
- d. Disposal of property and other assets.



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- 3.5 Reimbursements shall not be allowed, except for those made through the Petty Cash Fund. In no case shall reimbursements be used to circumvent prescribed procurement procedures or established internal financial controls..
- 3.6 D/O/Us shall be responsible to plan their projects and activities ahead of time to ensure timely processing of resource requirements. A Local Budget Preparation (LBP) Forms 1 and 2, and a corresponding Project Procurement Management Plan (PPMP) shall be prepared by responsible D/O/Us or composite teams.¹
- 3.6.1 The LBP Forms shall cover activities and corresponding direct costs under Maintenance and Other Operating Expenses (MOOE) and Capital Outlay (CO). It shall exclude shared costs (e.g., rental, electricity, water, janitorial, security, insurance, internet services, etc.).
- 3.6.2 The City Budget Office (CBO) shall be responsible for the consolidation and monitoring of the approved annual plans and budgets. Monthly Statement of Appropriation, Allotment and Obligation (SAAOB) submitted by the CBO to the City Mayor within two (2) weeks after the end of each month.
- 3.7 All procurements shall be conducted in accordance with applicable laws, regulations, ensuring transparency, competitiveness, accountability, and value for money. Procurement processes must be properly documented, justified, and subject to appropriate approvals and audits to safeguard public resources and uphold integrity.
- 3.8 The management of supplies and property shall be governed by established inventory, custody, and disposal procedures to ensure accountability, efficiency, and proper utilization of government resources. All acquisitions, issuances, transfers, and disposals must be

¹ Composite teams shall refer to a group of individuals from different D/O/Us tasked to accomplish a particular performance commitment for a defined period.



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properly documented, regularly monitored, and subject to audit and physical inventory.

- 3.9 Individual Financial Assistance shall be granted to qualified beneficiaries in accordance with applicable laws, guidelines, and fund-specific requirements.

3.9.1 Whether sourced from the CGN's budget or downloaded by the DSWD or other agencies, all requests must be supported by complete documentation, including valid identification, social case summary or assessment, and proof of need (e.g., medical certificate, death certificate, referral letter).

3.9.2 Disbursement shall follow existing financial procedures, with clear approval, fund source tagging, and proper recording in official logs or databases. Issuance of assistance must be acknowledged in writing by the recipient and witnessed by an authorized official.

3.9.3 For downloaded funds, the CGN shall ensure strict compliance with the agency's fund utilization guidelines, including timely reporting, liquidation, and submission of required documentation.

3.9.4 All transactions shall be subject to internal audit and monitoring to safeguard against duplication, misuse, or ineligible disbursements.

4.0 SPECIFIC GUIDELINES

Cash Advances

- 4.1 The rules and regulations on the grant and liquidation of cash advances under COA Circular No. 1997-002 and reiterated under COA Circular No. 2009-002 and Section 9 of Presidential Decree No. 1445 shall be observed.
- 4.2 Cash advance may be requested to cover anticipated expenses for travel or official activities, subject to the submission to the CAO of the



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following at least three (3) working days prior to the scheduled travel/activity:

- a. Obligation Request (ObR);
 - b. Disbursement Voucher (DV);
 - c. Request for Cash Advance with approved Project Proposal, where applicable;
 - d. Itinerary of Travel (IT), where applicable; and
 - e. Special/ Travel Order (SO/TO), with approval from HRDC for seminars.
- 4.3 Cash advance for travels shall be allowed for the designated traveling personnel. If in group, the traveling employees shall be severally responsible for the liquidation of the portion of the cash advance they used. Inasmuch as partial liquidation is allowed, the failure to liquidate within the allowable timeline shall result in the withholding of the salary of the responsible personnel equivalent to the portion of the cash advance that cannot be substantiated with documents though his/her fault.
- 4.4 Cash advance for official activities other than travel shall only be granted to the designated Special Disbursing Officer of each D/O/U who are covered by a bond issued by the Bureau of Treasury.
- 4.5 No cash advance shall be granted to employees with unliquidated cash advances. All cash advances shall be fully liquidated through the submission to the CAO of complete documents within the following timelines:

	Evaluation and Approval from Completion of Travel/Activity	
	Approving Official	Accounting
Local Travel	Five (5) days	Fifteen (15) days
Foreign Travel	Ten (10) days	Fifteen (15) days
Activities	Fifteen (15) days	Thirty (30) days



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Petty Cash Fund

4.6 A Petty Cash Fund (PCF) setup shall be maintained with designated employees, covering the following specific purposes:

- a. Recurring operating expenses
- b. Individual financial assistance
- c. Food expenses

The amount shall be determined based on a two-month average requirement of the specific purpose for which the PCF was established.

4.7 The Petty Cash Custodian shall be responsible for the full liquidation of the fund when it is no longer needed or has not been utilized for a period of two (2) months, pursuant to COA Circular No. 97-002 dated February 10, 1997.

4.8 To ensure that a sufficient amount of cash is kept on hand at all times, the Petty Cash Custodian shall request replenishment of the cash advance when the disbursements reach at least 50% by submitting a replenishment voucher with all supporting documents duly summarized in a report of disbursements.

4.9 Employees requesting cash advance from PCF shall liquidate the said amount within three (3) working days from the incurrence of the expense. Failure to comply shall result in salary deduction. No additional cash advance from PCF will be given to employees with unliquidated obligation.

4.10 Payment through PCF of recurring operating expenses shall not exceed P15,000.00 for each transaction. However, individual financial assistance paid through PCF shall be subject to the ceiling provided under the pertinent guidelines issued by the CGN and/or the Department of Social Welfare and Development (DSWD), Department of Health (DOH), or other government agencies, as the case may be.

4.11 Splitting of transactions to avoid exceeding the ceiling shall not be allowed. Recurring operating expenses shall not cover rentals,



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subscriptions, light and water bills, and similar items. Recurring operating expenses which may be covered by the PCF are as follows:

- a. Expendable (e.g. presentation/workshop materials) and semi expendable (e.g. staplers, punchers, rulers) supplies and materials, subject to prior approval of the head of the City Procurement Office;
- b. Meals and refreshments for small and unplanned meetings or activities which cannot be accommodated by the catering service provider duly procured by the CGN;
- c. Urgent minor repairs of equipment and motor vehicles, including labor and spare parts (e.g. brake lights, battery);
- d. Mailing;
- e. Notarial fees;
- f. Tokens;
- g. Stipends; and
- h. Travel related expenses without cash advance (e.g. transportation expenses, toll and parking fees).

Reimbursements/Liquidation of Expenses

- 4.12 Requests for reimbursement, supported by complete documentary requirements, should be submitted to the CAO not later than thirty (30) days from the time the expense was incurred. Non-compliance to the prescribed period shall result in disallowance.
- 4.13 Expenditures through PCF or reimbursement covering grocery items shall be supported by a tape receipt.²
- 4.14 While all PCF disbursements are subject to compliance with procurement rules and regulations, disbursements amounting to less than P1,000.00 shall not require the submission of an abstract of quotation and canvass.

² Content of the Tape Receipt should be in compliance to the rules and regulation issued by the Bureau of Internal Revenue (BIR) on the Use of Cash-Register Machines/Point-of-Sales (POS) Machine.



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4.15 The following documents shall be acceptable in lieu of Official Receipts (OR):

- a. Certification of Expenses not Requiring Receipts amounting to P300.00 or less when incurred in the discharge of official functions, except for payment of fares in public utility vehicles issuing receipts such as bus, train, vessel/ship; and purchases in business establishments not issuing receipts.³
- b. Reimbursement Expense Receipt (RER) and Acknowledgement Receipts (AR) for disbursements up to P15,000.00, where the payee is not a business entity required by the Bureau of Internal Revenue (BIR) to issue ORs, provided that it bears the signature of the payee and the expense is authorized under existing rules and regulations.
- c. Voucher Receipt (VR) for disbursements made to individual persons. The VR is that portion of the Disbursement Voucher/Payroll that is signed by the payee as proof of receipt of the indicated amount.
- d. Credit Card Payment Slip (CCPS) shall be acceptable as support for claims of reimbursements where the official concerned used his/her personal credit card to defray the authorized expenses.

Official Travels

4.16 D/O/Us shall first consider if an alternative to travel such as teleconferencing, video conferencing or other similar platforms can satisfy objectives in order to save on travel expenses.

4.17 For purposes of these Guidelines, the 50-kilometer radius shall be determined from the permanent official station to the actual place of engagement (e.g., city or municipality).

4.18 Air Travel

4.18.1 As far as practicable, airline tickets shall be purchased at least two (2) weeks in advance to enable the CGN to leverage early

³ COA Circular No. 2017-01 dated June 19, 2017 on the Reimbursement of Expenses not Requiring Official Receipts.



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booking discounts and similar promotional offers. However, care shall be taken as these fares are nonrefundable and carry numerous restrictions.

In cases of disaster response and activities that are dated less than two (2) weeks away from the time of confirmation, airline tickets shall be purchased at the soonest possible time.

4.18.2 Requests for air travel arrangements shall be coursed through the City Procurement Office.

4.18.3 Airline tickets shall be booked at the lowest available airfare directly through the Procurement Service under the Government Fares Agreement or, in the absence, to ticketing offices in order to accommodate the desired travel schedule. International flights may be booked through travel agencies only if it is not possible to book directly from the airlines, subject to the submission of the abstract of at least three (3) quotations and canvass.

4.18.4 Flights shall be on restricted economy class provided that the travel schedule will permit. Otherwise, flights may be booked under other types of economy class.

With the exception of business class travel for long haul trips under Section 12 of the Executive Order (EO) No. 77, premium economy, business and first class foreign travel shall not be allowed unless at the personnel's expense. Personnel who are enrolled in airline incentive programs are permitted to utilize their personal upgrades without additional cost to the government.

While it is the policy to allow travelers to retain frequent flyer benefits, preference to specific airlines for the purpose of accumulating mileage must not influence air travel arrangements or add cost.

4.18.5 Rebooking fees and flight cancellations shall only be allowed for emergency cases, including unforeseen adjustments in the City



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Mayor's schedule (e.g., urgent official meetings), and subject to the prior approval of the City Mayor.

The Administrative Officer Designate must immediately be notified on flight cancellations relative to bookings made by personnel other than the designated travel arranger.

4.19 Land Travel

4.19.1 Expenses incurred for the use of private vehicles shall not be allowed. In authorized cases when a private vehicle is used, the official or employee concerned is entitled to the equivalent cost of the customary mode of transportation.

4.19.2 Expenses incurred for the use of vehicles from other government agencies may be reimbursed subject to the submission of the official receipt and a copy of the certificate of registration (OR/CR) of the vehicle.

4.19.3 In addition to the DTE, the travelling employee on official travel to destinations beyond the 50 kilometer radius from the permanent official station is entitled to transportation and reasonable miscellaneous expenses (i.e. terminal fees, parking fees, road tolls) except where government vehicle was used. Transportation and reasonable miscellaneous expenses shall cover the following areas:

- a. From the office or residence to the point of embarkation, and vice versa;
- b. From the point of embarkation to the point of disembarkation in the place of destination, and vice versa; and
- c. From the point of disembarkation to the office of destination or place of assignment in the field, and vice versa.

4.19.4 Vehicle rental shall only be allowed outside Naga City, except when transporting guest participants for CGN



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organized trainings in instances when the existing motor vehicle fleet is unable to accommodate the requirement. In such cases, any of the following conditions shall be present:

- a. When the use of CGN vehicle will be impractical (e.g. destination is more than 5 hours away from the City Government) and the cost will be more expensive;
- b. When the use of public transportation is impractical due to successive meetings/engagements in one day covering multiple sites;
- c. When the state of public transportation in the area is underdeveloped; or
- d. When there is a need to transport bulky materials or equipment.

4.19.5 Except when otherwise approved by the City Mayor, vehicle rental shall not exceed P5,000.00 per unit per day under the following terms and conditions:

- a. Vehicle rental cost shall be inclusive of the cost of fuel, toll fees, insurance, and driver's fee and accommodation.
- b. CGN personnel shall not be allowed to drive rented vehicles.
- c. Expenses resulting from accidents, if any, shall be chargeable against the insurance of the rented vehicle.
- d. The actual use of the vehicle shall not be less than four (4) hours for provincial travels.

4.19.6 Requests for vehicle rental shall be made by the concerned personnel to the CPO at least seven (7) working days prior to the scheduled travel by submitting the required form.

The CPO shall notify the requesting personnel on the fourth day upon receipt of the request whether or not a supplier responded to the Request for Quotation, to provide sufficient time to the requesting employee to include the required rental cost in his/her cash advance request.



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4.19.7 Vehicle rental shall be procured from a supplier contracted by the CPO through an appropriate procurement method, except in the following circumstances:

- a. If there is no available supplier or if the supplier contracted does not have operations in the area of travel, the submission of an abstract of quotations with at least three (3) quotations and a contract shall be required; or
- b. If the total rental amount of the vehicles for the entire trip, is more than P50,000.00, a three-day prior posting at the PhilGEPs⁴ shall be required.

4.19.8 Fines for traffic or parking violations incurred by employees traveling by land on official business shall not be allowed.

4.20 Daily Travel Expenses

4.20.1 In accordance with EO No. 77, s. 2019, the maximum allowable Daily Travel Expenses (DTE) covering lodging rate, meals and incidental expenses of travelling personnel shall be as follows:

Particulars	Destination	Maximum DTE			
		Hotel/ Lodging	Meals	Incidental Expenses	Total
Day of arrival at point of destination (regardless of time) and succeeding day/s thereof on official business	Cluster I ⁵	P750.00	P450.00	P300.00	P1,500.00
	Cluster II ⁶	900.00	540.00	360.00	1,800.00
	Cluster III ⁷	1,100.00	660.00	440.00	2,200.00
Day of departure for permanent official station (regardless of times) if other than date of arrival	Cluster I	n/a	450.00	300.00	750.00
	Cluster II	n/a	540.00	360.00	900.00
	Cluster III	n/a	660.00	440.00	1,100.00

4 Philippine Government Electronic Procurement System.
5 Regions I, 11, III, V, VIII, IX, XII, XIII, ARMM.
6 CAR, Regions VI, VII, X, XI.
7 NCR, Regions IV-A and IV-B.

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4.20.2 If the local engagement shall cover two or more different clusters within the same day, the highest amount applicable among the covered areas shall be applicable in the computation of the DTE.

4.21 Lodging

4.21.1 Payment of actual lodging expenses shall not require the submission of an Abstract of Quotation. It shall be subject to the following:

- a. Allowable equivalent daily accommodation rate per individual shall not exceed one hundred percent (100%) of such component of the prescribed DTE rate (i.e. P1,500.00 for Cluster I, P1,800.00 for Cluster II, and P2,200.00 for Cluster III).
- b. Payment of claims for actual cost of accommodation shall be supported by the following:
 - (i) Billing/Statement of Account;
 - (ii) Official Receipts; and
 - (iii) Certification of the designated approving officer that the expenses are absolutely necessary in the performance of an assignment.

A Certification shall be required in case the establishment is unable to issue a separate billing/statement of account other than Official Receipt or Sales Invoice. A certification or affidavit of loss shall not be considered as an appropriate replacement for lost bills and receipts.

4.21.2 Booking cancellation or "no show" charges shall not be allowed except under extenuating circumstances, which must be documented in the expense report.

4.21.3 In accordance with the Code of Conduct and Ethical Standards for Public Officials and Employees (R.A. No. 6713), personnel



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who are given accommodation, food, transportation, etc. at no cost to the CGN while on official travel shall inform the City Mayor and the concerned Department or Office Head to enable the office to extend its gratitude.

- 4.22 For official travel to destinations within the 50-kilometer radius, actual transportation expenses under 4.20.4 and DTE under 4.21.1 may be authorized. Provided that the travelling personnel shall stay in the place of assignment and not commute daily from the place of assignment to the place of residence or permanent official station and back. This shall be substantiated by the submission of hotel billing and invoice.

Otherwise, the travelling personnel shall only be allowed the following expenses:

- 4.22.1 Actual fare of authorized modes of transportation from the permanent official station to the place of assignment and back; and
- 4.22.2 Meals amounting to a maximum of thirty percent (30%) of the authorized meal component of the DTE (i.e. P135 for Cluster I, P162 for Cluster II, and P198 for Cluster III).

Representation Expenses

4.23 Meals

- 4.23.1 The CGN shall procure its requirement for meal and refreshments from either a single or multiple suppliers of catering services under framework agreement in accordance with the allocated budget for such expenditure and subject to applicable procurement laws, rules, and regulations.
- 4.23.2 The basis of the rates to be applied for meals and refreshments to be served during meetings shall be based on the following schedule:



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Meeting Time	Covered Meals
7:00 a.m. - 9:00 a.m.	Breakfast
9:00 a.m. - 11:00 a.m.	Morning Snack
11:00 a.m. - 1:00 p.m.	Lunch
1:00 p.m. - 6:00 p.m.	Afternoon Snack
6:00 p.m. - 8:00 p.m.	Dinner

The foregoing schedule will not be applicable in evaluating the reasonableness of requests for meals and refreshments during provincial meetings provided that it is sufficiently supported by a duly accomplished itinerary of travel submitted during liquidation/ reimbursement of expenses.

4.23.3 Meetings outside the CGN shall be subject to prior approval of the City Mayor. Meetings shall not be held in bars and similar establishments. Alcoholic beverages shall not be allowed.

4.23.4 Requesting D/O/Us may get their meals and refreshments from the following:

- Existing CGN concessionaire subject to agreed rates under the contract;
- Other meal providers through a send-bill arrangement; or
- Cash advance from the PCF for expenses not more than P15,000.00.

4.23.5 Claim for actual meal expenses incurred for meetings with stakeholders shall be supported by the necessary documentary requirements.

4.23.6 Regular rates amounting to a maximum of P250.00 for breakfast, lunch or dinner and P120.00 for snacks, inclusive of the cost of venue (if applicable) may be allowed for the following:

- Employees' general assemblies;
- In-house trainings and capacity building activities;
- Meetings with stakeholders within and outside the CGN;



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- Meetings with stakeholders during provincial travels;
- Coordination meeting with media personnel and local security personnel that augment CGN activities.

- a. Meals and refreshments served under regular rates shall not be excessive and be limited to two (2) main courses (for breakfast, lunch, or dinner), excluding soup and salad.
- b. Meals served for staff meetings and project team meetings shall be limited to snacks when the meeting exceeds two (2) hours and involves written output other than minutes of the meeting.
- c. To preclude double payment of expenses, pro-rated amount shall be deducted from the corresponding meal component of the DTE of the personnel who participated in the meeting during the travel (i.e. pro-rated cost per meal shall be P90.00 for Cluster I, P108.00 for Cluster II, and P132.00 for Cluster III).

4.23.7 Special rates amounting to a maximum of P600.00 for breakfast, lunch or dinner and P300.00 for snacks, inclusive of the cost of venue (if applicable) shall be allowed, provided that it shall not be excessive and be limited to three (3) main courses (for breakfast, lunch or dinner), excluding soup and salad. It may be allowed for the following:

- a. Meetings of external parties with the City Mayor;
- b. Special office occasions such as year-end gatherings, anniversary celebration and similar activities, subject to the approval of the City Mayor and
- c. Trainings/capacity building activities organized by the CGN subject to the approval of the City Mayor.



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As far as practicable, all special events and other official activities shall be held within the City Government. If unavailable, the host D/O/U shall request for the lease of a moderately priced venue, unless otherwise approved by the City Mayor.

4.23.8 Standard maximum rates to be applied for regular press/media briefing within the CGN shall not exceed P250.00 breakfast, lunch or dinner and P120.00 for snacks.

4.24 Tokens and Other Collaterals

4.24.1 The CGN, in the performance of its functions, may give collaterals for CGN projects and activities, and tokens to employees or stakeholders as a form of appreciation, recognition, goodwill or expression, of sympathy, subject to the following conditions:

- a. Reason for giving the token supports the CGN mission, and if possible incorporating the CGN official logo; and
- b. Token was procured in compliance with the procurement rules and regulations.

Grant of tokens of appreciation to CGN employees shall be in accordance with CSC Resolution No. 010112, s. 2001 relative to the Program on Awards and Incentives for Service Excellence (PRAISE) and other applicable rules and regulations.

4.24.2 Tokens and collaterals for stakeholders shall be of nominal value subject to the following limits:



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Type	Maximum (per token)
As Appreciation, Goodwill, Recognition or Expression of Sympathy	
Heads of State, Cabinet Secretaries, Foreign Dignitaries, and Other VIPs	P10,000.00
Other partnership and stakeholders	P5,000.00
As collaterals for CGN Projects and Activities	
T-shirts/Polo Shirts/Bags/USBs, etc.	P300.00
Other Collaterals (e.g., pins, pens, lanyards, etc.)	P100.00

- a. Except collaterals for the Office of the City Mayor projects and activities, the type of tokens, recipients and budget per item shall be subject to the approval of the City Mayor.
- b. The total amount of collaterals provided per participant of the CGN projects and activities shall not exceed P500.00.
- c. Tokens of appreciation for foreign engagements shall be procured on a per need basis while all other tokens shall be procured under bulk purchase.
- d. The quantities of tokens shall be based on a proposed distribution list submitted by the head of the D/O/U and approved by the City Mayor. As far as practicable, the list shall identify the names of the individuals or the number of recipients within a specific group.
- e. Gift checks, gift certificates and other similar instruments cannot be given as tokens.
- f. At least seventy percent (70%) of the total amount budgeted for tokens and collaterals shall, where practicable, be procured from Naga-based community projects through community-based procurement



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For this purpose, the BAC shall delegate the authority to the CPO to conduct community-based procurement, subject to applicable rules and regulations.

- g. The CMO shall submit a monthly inventory of tokens and collaterals to the General Services Office (GSO).
- h. Quarterly physical count of stock on hand shall be by the GSO.

Communication Expenses

- 4.25 DBM Circular 2024-2 relative to the guidelines on the provision and use of cellular phone lines provided by the CGN shall continue to be observed.
- 4.26 Traveling personnel without communication allowances⁸ or provision of cellular phone lines shall be allowed communication expenses amounting to P100.00 per day but not more than P300.00 for the duration of the travel, unless otherwise approved by the City Mayor. Such expenses shall be procured at least one (1) day ahead of the travel, regardless of the place of purchase.

Training Expenses

- 4.27 Attendance of employees to Conventions, Seminars, Conferences, Symposia, and Similar Non-Training Gatherings sponsored by Non-Government Organizations or Private Institutions shall be governed by DBM National Budget Circular No. 596, s. 2025.
- 4.28 Payment of honoraria for in-house training and similar activities shall be made in accordance with DBM Budget Circular No. 2007-1 relative to the Guidelines on the Grant of Honoraria to Lecturers, Resource Persons, Coordinators, and Facilitators.
- 4.29 Training requests of employees shall be consolidated and requested by the head of the D/O/U by submitting to the City Human Resource Management Office (CHRMO) an accomplished Training Needs

⁸ Covering contract of service personnel and consultants



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Assessment form, which shall be considered as inputs to the Annual Training Plan.

4.30 As far as practicable, in-house training shall be preferred over public course offerings for cost-efficiency. Foreign training shall not be allowed unless under full sponsorship.

4.31 The conduct of strategic planning, year-end assessment, and team building activities shall be authorized within the province (or city), subject to the following:

4.31.1 Considering the strategic importance of these activities to the CGN, participation shall be mandatory. Failure to participate shall be supported by certification issued by the personnel and approved by the head of the D/O/U concerned.

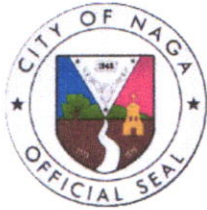
4.31.2 These activities shall be included in the CGN Calendar of Events, as follows:

Activity Type	Participation	Indicative Schedule	Required Output
Team Building	CGN-wide	2 nd Quarter	Highlights of the team building exercise
Strategic Planning	Top Management	3 rd quarter – 4 th quarter	Annual Strategic Plan
Performance Assessment	Division/ Composite Team	4 th quarter – 1 st quarter of the succeeding year	DPCR for the ensuing period

The duration of each activity shall not exceed three (3) days and two (2) nights, inclusive of travel time.

4.31.3 Expenses per participant shall be in line with the approved standard rates for accommodation, meals and refreshments, and lease of function room, whenever applicable.

4.31.4 Contingency fund, subject to liquidation, amounting to not more than twenty percent (20%) of the total budget for



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accommodation and meals shall be allowed to cover additional expenses related to medical emergencies, land (e.g. vehicle rental, gasoline, toll fees, bus tickets) and sea travel (e.g. tickets, fares).

4.31.5 The City Planning and Development Office (CPDO) shall be responsible for the engagement of the services of a resource person or consultant for the conduct of the Strategic Planning and Performance Assessment, if necessary.

4.32 Accommodation expenses for participants and stakeholders of CGN-organized trainings and activities shall not exceed the prescribed DTE rate for local travels (i.e. P1,500.00 for Cluster I, P1,800.00 for Cluster II, and P2,200.00 for Cluster III).

Supplies Expenses

4.33 The determination of common-use supplies (e.g. paper, ballpens, etc.) for regular use within the office will be done by the GSO based on historical data and inputs from D/O/Us based on their submitted Common Use Supplies Annual Procurement Plan.

4.34 Inventory of supplies shall be maintained equivalent to not more than two (2) months' worth of requirements. To ensure compliance, the GSO shall deduct quantities of available stocks from the monthly/quarterly supplies requirement of each D/O/U upon issuance.

4.35 The issuance of the monthly supplies to the D/O/Us shall be subject to the submission of the monthly inventory report to the GSO.

Petroleum, Oil and Lubricants

4.38 Petroleum, Oil, and Lubricants (POL) requirements of the CGN shall be procured from reputable suppliers through approved procurement modalities, with adequate provisions such as the use of fleet cards to monitor usage and prevent pilferage and unauthorized use.

4.39. POL shall be strictly for official use in the operations of vehicles, equipment and machinery owned by the CGN and used in the delivery of public service, including emergency and disaster response.



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- 4.39 All POL allocations must be duly supported by an approved Purchase Requisition Form/Trip Ticket and regularly reconciled for accountability and audit compliance.

Disaster Response Expenditures

- 4.40 Disaster response expenditures shall be limited to urgent and essential goods and services necessary for immediate relief, rescue, and recovery operations, such as food packs, medicines, fuel, transportation, temporary shelters, and basic equipment.
- 4.41 All spending must be within the approved budget and aligned with the Local Disaster Risk Reduction and Management Fund (LDRRMF) Investment Plan.
- 4.42 Procurement shall adhere to authorized modalities such as Emergency Procurement, Framework Agreements, and other appropriate modes consistent with the Fit-for-Purpose principle, with complete documentation and clear justification of the urgency.
- 4.43. Issued items must be properly recorded, acknowledged by recipients, and supported by official receipts or delivery documents.
- 4.44 All disbursements must be liquidated promptly, monitored by the DRRM and Accounting Offices, and subject to audit to ensure transparency, accountability, and lawful use of public funds.
- 5.0 All previous CGN issuances inconsistent with any provision of this Order are hereby repealed, modified, or amended accordingly.