



19 JAN 2016

Republic of the Philippines  
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS  
**OFFICE OF THE SECRETARY**  
Manila

RSM/NCR-22  
097.13 DPWH  
01-24-2016

DEPARTMENT ORDER )

NO. 22 )

Series of 2015 )  
DI. X. 16

**SUBJECT: ALLOCATION OF THE AUTHORIZED  
3.5% DEDUCTIONS FROM PROJECT  
FUNDS FOR ENGINEERING AND  
ADMINISTRATIVE OVERHEAD (EAO)  
FOR FY 2016**

Consistent with the commitment of the Department to fast track project implementation and the timely completion of all infrastructure projects, whether foreign-assisted or locally-funded, with the active participation of the District Engineering Offices in the implementation of Centrally/PMO and Regional managed projects, and in accordance with Section 13, Special Provisions of GAA FY 2016, the breakdown of allocation of the authorized Engineering and Administrative Overhead Expenses for the Capital Outlay projects under FY 2015 DPWH Infrastructure Program indicated in D.O. No. 51, series of 2015, is hereby amended as follows:

**For Foreign-Assisted Projects:**

Percentage of Deductions/Retentions from Project Fund				
Central Office (CO)/PMO	Equipment	Reg'l Office (RO)	District Eng'g Office (DEO)	TOTAL
2.25%	0.25%	0.25%	0.75%	3.50%

**For Locally-Funded Projects:**

Percentage of Deductions/Retentions from Project Fund				
Implementing Office	Central Office (CO)	Regional Office (RO)	District Eng'g Office (DEO)	TOTAL
Central Office Implemented/ PMO- Implemented	2.00%	0.50%	1.00%	3.50%
RO- Implemented	0.50% /	2.00% /	1.00% /	3.50%
DEO- Implemented	0.50%	0.50%	2.50%	3.50%

For those directly released to the Regional Offices and District Offices, which are authorized to deduct not more than 2.50% and 2.00%, respectively, of projects cost for EAO expenses, the breakdown of allocation which shall apply to locally-funded projects, shall be follows:

D.O. No. 22 s. 2016  
Allocation of the Authorized 3.5% Deductions from Project Funds  
For Engineering and Administrative Overhead (EAO) for FY 2016  
Page 2 of 2

**For Directly Released to RO and DEO:**

Implementing Office	Percentage of Deductions/Retentions from Project Fund		TOTAL
	Regional Office (RO)	District Engineering Office (DEO)	
RO - Implemented	2.00%	0.50%	2.50%
DEO - Implemented		2.00%	2.00%

For Local Infrastructure Program and other infrastructure projects of other departments/agencies being implemented by DPWH, an EAO of one percent (1.00%) of the project cost per Section 13 of the Special Provisions of the GAA, shall be imposed and shall be released fully to the implementing unit.

It is provided further that the engineering and administrative overhead expenses shall not be authorized for the infrastructure projects costing One Million (P1,000,000.00) and below.

This Order supersedes Department Order No. 51 series of 2015, and shall take effect immediately.

  
**ROGELIO L. SINGSON**  
Secretary

Department of Public Works and Highways  
Office of the Secretary

