

DIRECTING ALL HEADS OF UNITS/OFFICES IN THE OFFICE OF THE PRESIDENT PROPER TO SUBMIT A MANUAL OF OPERATIONS

MEMORANDUM ORDER NO. 34, February 28, 2012

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In the interest of service, all Heads of Units/Offices in the Office of the President (OP) Proper are directed to submit their respective Manual of Operations or its functional equivalent containing the following information:

- Internal structure and functional configuration. This part should describe the organizational attributes and functional arrangements of the Unit Office based on current issuances relating thereto (Samples in Annexes A-C) This may include, at the minimum, the following:

- a) Mandate;
- b) Legal Basis/es;
- c) Mission Statements;
- d) Function Statements;
- e) Approved Organizational Structure; and
- f) Expected Outputs.

- Internal operations system (work flow and key processes). Contains the narrative description and explanation of significant actions involved in a process (Sample in Annex D). The narrative should provide for the sequence of steps involved, especially the control points, the names and positions of the people performing the actions and taking decisions, and the timing of such actions.

The flow charts (Sample in Annex E) of each process should contain:

- a) description of inputs and their sources;
- b) description of each sequenced step in the process of producing the output (evaluation, review, approval, delivery);
- c) description of the outputs and their destination or recipients;
- d) description of document recording and storage/filing procedures;
- e) frequency and timing of the process;
- f) expected start-to-finish time duration;
- g) determination of staff/officer and office/division involved in each step in the process; and
- h) estimation of the monthly or regular workload by division based on the estimated frequency with which the work process operates.

- Staffing patterns and personnel deployment plan. This includes information on the following (Samples in Annexes F-H).

- a) Approved Staffing Pattern based on the Notice of Organization, Staffing and Compensation Action (NOSCA);
- b) Description of duties and responsibilities of each position as reflected in the Position Description Form; and
- c) Qualification Standards required for each position.

The Manual of Operations or its functional equivalent shall be submitted in two (2) copies to the Office of the Executive Secretary through the Malacañang Records Office (MRO) within sixty (60) working days from the effectivity of this Order.

OP Proper Offices engaged in delivering Frontline services such as the Presidential Action Center and Malacañang Records Office (MRO) shall, in lieu of the Manual as herein required, submit a Citizen's Charter and Report of Compliance on the provisions of RA 9485 or the "Anti-Red Tape Act" and its Implementing Rules and Regulations.

Done in the City of Manila . This 28th day of February in the year of our Lord, Two Thousand and Twelve.

By authority of the President:

(SGD.) PAQUITO N. OCHOA, JR.
Executive Secretary

OFFICE OF THE PRESIDENT
QUALITY MANUAL

0.2

INTRODUCTION

This Quality Manual sets out the Office of the President's policy and directions to ensure that our services meet both the specified requirements of the President and our objectives in a consistent, economical and reliable manner.

Moreover, this Quality Manual defines the manner in which the Office of the President implements a quality management system that satisfies the requirements of the internationally recognized ISO 9001 Standard (hereafter abbreviated to ISO 9001) and provides an important documentary guide to the system as a whole.

Maintenance of this Quality Manual is the responsibility of the Office of the President's Quality Management Representative. All questions regarding this document should be directed to: THE QUALITY MANAGEMENT

REPRESENTATIVE (QMR)

0.3

PURPOSE OF THIS QUALITY MANUAL

This Quality Manual together with associated documents mentioned hereto, aims:

a)

To demonstrate the ability of the Office of the President to consistently offer services that conform to the requirements of the President;

b)

To improve the level of the President's satisfaction by the effective implementation of a quality management system, including the process of continuous improvement;

c)

To describe the basic elements of the QMS of the agency and serve as reference in its implementation and continual improvement;

d)

To serve as reference and guide for newly hired personnel and make them familiar and appreciate the agency's Quality System.

The policies and procedures contained or referenced in this Quality Manual are intended to establish and communicate the requirements that all operating offices of the Office of the President must meet. These requirements are based on the requirements of the President as well as applicable international and national standards. As such, these requirements will be updated as the needs of the President arise and the respective

standards are changed as well as for continual improvement of the quality system.

0.4

THE OFFICE OF THE PRESIDENT (OP PROPER)

0.4.1

Our Mandate

The Office of the President's mandate, authority and functions emanate from the President's power of control over all the executive departments, bureaus and offices; and the Chief Executive's constitutional duty to ensure that the laws are faithfully executed.

Based on said executive powers of the President, the OP proper would perform the following vital/core functions:

a)

Respond to the specific needs and requirements of the President to achieve the purposes and objectives of the Office and the other agencies under it which include those under the chairmanship of the President, those under the supervision and control of the President, those under the supervision and control/ administrative supervision of the OP, those attached to it for policy and program coordination and those not placed by law or order creating them under any special department;

b)

Provide advisory or consultative services to the President in such fields and under such conditions as the President may determine;

c)

Provide technical and administrative support on matters concerning development and management, general

government administration and internal administration; and

d)

Provide direct services to the President and, for this purpose, attend to functions and matters that are personal and pertain to the first family.

0.4.2

Our Vision

As the premier office of the land, the Office of the President shall be an exemplary, leading and dynamic organization in the civil service, composed of dedicated, concerned and caring professional public servants consistently committed to provide high quality staff support services to the President, and to render prompt, efficient and effective service towards achieving national goals.

0.4.3

Our Mission

The Office of the President shall provide the President with administrative, advisory, consultative, research, and fact-finding support services with utmost dedication, professionalism, efficiency, effectiveness, honesty, integrity, dynamism, accountability and transparency in the exercise of the President's functions as Head of State and Head of Government by possessing sufficient knowledge of existing laws, rules and regulations and the skills to apply the same including the adoption of international operations standards without compromising national interests and the general welfare of the public.

0.4.4

Our Organizational Structure (See MEMORANDUM ORDER NO. 34 : Organizational Structure : 108 OG No. 14, 1574 (April 9, 2012))

0.4.5

Our Functional Description

0.4.5.1

Office of the Executive Secretary (OES)

OES directly assists the President in managing the affairs of government, and ensures coordination and consistency of policy of various offices and agencies under the Executive Department. The ES provides overall coordination in the operation of the Executive Offices; assists in the supervision of the PA System and the Private Offices; and performs tasks relative to OP's monitoring and oversight function over agencies under its administrative supervision (i.e., agencies attending to locally-funded and foreign-assisted projects, GOCCs/GFIs, task forces and OEOs).

0.4.5.2

Office of the DES for General Administration (ODESGA)

ODESGA provides assistance and advice to the Executive Secretary on matters relating to the functions of the Executive Office, government reorganization, management, and performance evaluation of government agencies. The DESGA will directly supervise GGAO, ICTO, Malacañang Museum, and PACE.

0.4.5.3

Office of the DES for Legal Affairs (ODESLA)

ODESLA exercises supervision and control over the Legal Office and the Legislative Office in, among other things, the rendition of legal opinions, processing of Presidential issuances and executive clemency, preparation of appropriate action documents pertaining to legislative matters, executive agreements, treaties or conventions for consideration of the President, and adjudication of administrative decisions which, by law or regulation, are appealable to or reviewable by the President.

0.4.5.4

Office of the DES for Finance and Administration (ODESFA)

ODESFA provides the President, ES, SDES, other DESes, and the Unit Heads with the necessary support in the management of funds, assets and other resources of OP through efficient, effective and economical operations. The DESFA will oversee the Engineering Office, Finance Office, Human Resource Management Office, Malacañang Motorpool, Malacañang Records Office, and Assets Management Office.

0.4.5.5

Office of the DES for Internal Audit (ODESIA)

ODESIA assists Management in achieving an efficient and effective fiscal administration and performance of agency affairs and functions, and in the conduct of anti-corruption and good-governance measures.

0.4.6

Under the Supervision of ODESGA

0.4.6.1

General Government Administration Office (GGAO)

GGAO monitors, reviews and evaluates communications, reports, recommendations and studies (including processing of travel and special authority) pertaining to the operations and performance of Line Agencies/Departments, Task Forces, Other Executive Offices, and GOCCs under the administrative supervision of or attached to OP.

0.4.6.2

Information and Communications Technology Office (ICTO)

ICTO develops and implements ICT policies, strategies and objectives; administers all information systems and databases of OP Proper; and provides technical support services to OP offices/units.

0.4.6.3

Malacañang Museum

Museum provides assistance, research and information, as well as formulates recommendations involving the institutional history and heritage of the President and the Malacañang Palace.

0.4.6.4

Presidential Action Center (PACE)

PACE handles requests for assistance as well as complaints and grievances by the general public, on concerns relating to governance and local affairs, social services, and information requirements for transacting business with OP.

0.4.7

Under the Supervision of ODESLA

The Legal Office and the Legislative Office perform their respective main functions, as follows:

0.4.7.1

Legal Office

Legal Office acts on requests for opinions on legal questions referred by the President, Executive Secretary, chiefs of divisions and other OP units, and other government agencies; processing of Presidential issuances (Executive Orders, Administrative Orders, Proclamations, Memorandum Orders, Memorandum Circulars, General or Special Orders); acts on petitions for executive clemency; and renders administrative decisions which, by law or regulation, are appealable to or reviewable by the President.

0.4.7.2

Legislative Office

Legislative Office prepares appropriate action documents pertaining to legislative matters as to their urgency for immediate enactment, or the exercise of the President of his/her veto power pertaining to bills passed by Congress; and reviews and submits recommendations on bills passed by Congress, executive agreements, treaties or conventions entered into by GRP with other countries for consideration of the President.

0.4.8

Under the Supervision of ODESFA

0.4.8.1

Engineering Office

Engineering Office attends to the general operation, maintenance and repair of OP buildings, guest houses, facilities, equipment and grounds.

0.4.8.2

Finance Office

Finance Office prepares budget estimates, payroll, remittances, vouchers and other allotments; and provides accounting services through reviews of financial transactions and maintenance of accounting records.

0.4.8.3

Human Resource Management Office (HRMO)

HRMO attends to personnel transactions and movements in OP Proper, and develops programs for career development and welfare of the employees.

0.4.8.4

Malacañang Motor Pool

Motorpool takes charge in the provision of appropriate transportation requirements of OP and effective maintenance program for all OP-owned motor vehicles.

0.4.8.5

Malacañang Records Office (MRO)

MRO maintains the centralized records management system of OP and caters to the documentary, information and reference requirements of OP and the general public.

0.4.8.6

Assets Management Office (AMO)

AMO responsible for the custody, control and supervision of the OP properties; procurement and issuance of supplies, materials and equipment; and release of salaries, allowances and other payables chargeable against OP funds.

See MEMORANDUM ORDER NO. 34 ANNEX B : OFFICE OF THE PRESIDENT : 108 OG No. 14, 1578 (April 9, 2012)

See MEMORANDUM ORDER NO. 34 ANNEX C : LOGICAL FRAMEWORK (OP) : 108 OG No. 14, 1579 (April 9, 2012)

Office of the President
INTERNAL AUDIT OFFICE

NARRATIVE PROCEDURES (NP)

Disposal of Unserviceable Property (DUP)[1]

A. Supply and Property Unit. Administrative Service

- The Property Officer[2] (name and designation) accomplishes the heading and columns 1 to 8 of the Inventory and Inspection Report for Unserviceable Property (IIRUP)[3], in two (2) copies using as reference the Property Cards[4] and the Report on the Physical Count of Property, Plant and Equipment (RPCPPE)[5] which reflects the condition of the PPE under the "Remarks" column;

- The Property Officer (name and designation) uses the following determining factors in the disposal of unserviceable property[6]:

2.1 Property which can no longer be repaired or reconditioned[7];

2.2 Property whose maintenance cost/costs of repair more than outweighs the benefits and services that will be derived from its continued use[8];

2.3 Property that has become obsolete[9] or outmoded because of changes in technology;

2.4 Serviceable property that has been rendered unnecessary due to change in the agency's function or mandate;

- The Property Officer (name and designation) forwards the duly accomplished draft IIRUP and supporting documents to the Assistant Head, Supply and Property Unit, for review;

- The Assistant Head, Supply and Property Unit (name and designation) evaluates the IIRUP and the supporting documents. If in order, forwards to the Head, Supply and Property Unit for approval of the transmittal letter to the Financial and Management Service for the required information on the accumulated depreciation;

- The Head, Supply and Property Unit (name and designation) reviews, approves and signs the transmittal letter to the Director, Administrative Service recommending the approval of the transmittal letter to the Financial and Management Service for the required information on accumulated depreciation of the PPE for disposal;

- The Receiving/Releasing Staff (name and designation) records in the logbook the release of the IIRUP and have the recipient signs on the logbook and the receiving copy of the document/s; and

- The Receiving/Releasing Staff (name and designation) forwards the receiving copy of the document/s to the Records Custodian (name and designation).

B. Administrative Service

- The Receiving/Releasing Staff (name and designation) receives the IIRUP and records in the logbook the receipt of the IIRUP;

- The Receiving/Releasing Staff (name and designation) forwards the IIRUP to the Director, Administrative Service;
- The Director, Administrative Service (name and designation) reviews, approves and signs the transmittal letter of the IIRUP to the Financial and Management Service for the required information on the accumulated depreciation;
- The Receiving/Releasing Staff (name and designation) records in the logbook the date of release of the IIRUP and have the recipient signs on the logbook and the receiving copy of the document/s; and
- The Receiving/Releasing Staff (name and designation) forwards the receiving copy of the document/s to the Records Custodian (name and designation).

C. Financial and Management Service

- The Receiving/Releasing Staff (name and designation) receives the IIRUP and records in the logbook the date of receipt;
- The Receiving/Releasing Staff (name and designation) forwards the IIRUP to the Director, Financial and Management Service;
- The Director, Financial and Management service (name and designation) reviews, approves and forwards the IIRUP to the Head, Accounting Unit for processing;
- The Receiving/Releasing Staff (name and designation) records in the logbook the release of the IIRUP and have the recipient signs on the logbook and the receiving copy of the document/s; and
- The Receiving/Releasing Staff (name and designation) forwards the receiving copy of the document/s to the Records Custodian (name and designation).

D. Accounting Unit Financial and Management Service

- The Receiving/Releasing Staff (name and designation) receives the IIRUP and records in the logbook the receipt of the IIRUP;
- The Receiving/Releasing Staff (name and designation) forwards the IIRUP to the Head, Accounting Unit, copy furnished the Records Custodian (name and designation);
- The Head, Accounting Unit (name and designation) reviews and forwards the IIRUP to the Assistant Head, Accounting Unit for processing;
- 21. The Assistant Head, Accounting Unit (name and designation) evaluates and forwards to the Property, Plant and Equipment Ledger Card (PPELC) Keeper for processing;
- 22. The PPELC Keeper (name and designation) retrieves the Property, Plant and Equipment Ledger Card (PPELC)[10] and the Property, Plant and Equipment Ledger Card-Specific Item (PPELC-SI)[11], prepares the Report on Accumulated Depreciation for the PPE included in the IIRUP, signs the report as "Prepared By" and forwards to the Assistant Head, Accounting Unit the Report on Accumulated Depreciation, IIRUP, PPELC and the PPELC-SI, for evaluation;
- The Assistant Head, Accounting Unit (name and designation) reviews the Report on Accumulated Depreciation with the IIRUP, the PPELC and the PPELC-SI. If in order, affixes initial on the Report on Accumulated Depreciation and forwards to the Head, Accounting Unit, for review/approval/signature;

- The Head, Accounting Unit (name and designation) reviews, approves and signs on the report to certify correctness of the Report on Accumulated Depreciation and forwards the transmittal letter of the Report on Accumulated Depreciation to the Director, Financial and Management Service;
- The Receiving/Releasing Staff (name and designation) records in the logbook the release of the Report on Accumulated Depreciation and the IIRUP and have the recipient signs on the logbook and the receiving copy of the document/s; and
- The Receiving/Releasing Staff (name and designation) forwards the receiving copy of the document/s to the Records Custodian (name and designation).

E. Financial and Management Service

- The Receiving/Releasing Staff (name and designation) receives the Report on Accumulated Depreciation and the IIRUP and records in the logbook the receipt of the Report on Accumulated Depreciation and IIRUP;
- The Receiving/Releasing Staff (name and designation) forwards to the Director, Financial and Management Service;
- The Director, Financial and Management Service (name and designation) reviews, approves and signs the transmittal letter of the Report on Accumulated Depreciation and the IIRUP to the Director, Administrative Service;
- The Receiving/Releasing Staff (name and designation) records in the logbook the release of the transmittal letter to the Administrative Service, the Report on Accumulated Depreciation and the IIRUP and have the recipient signs on the logbook and the receiving copy of the document/s; and
- The Receiving/Releasing Staff (name and designation) forwards the receiving copy of the document/s to the Records Custodian (name and designation).

F. Administrative Service

- The Receiving/Releasing Staff (name and designation) receives the transmittal letter from the Financial and Management Service, the Report on Accumulated Depreciation and the IIRUP, and records in the logbook the receipt of the report;
- The Receiving/Releasing Staff (name and designation) forwards to the Director, Administrative Service, the transmittal letter from the Director, Financial and Management Service, the Report on Accumulated Depreciation and the IIRUP;
- The Director, Administrative Service (name and designation) reviews and forwards to the Supply and Property Unit;
- The Receiving/Releasing Staff (name and designation) records in the logbook the release of the Report on the Accumulated Depreciation and IIRUP and have the recipient signs on the logbook and on the receiving copy of the document/s; and
- The Receiving/Releasing Staff (name and designation) forwards the receiving copy of the document/s to the Records Custodian (name and designation).

G. Supply and Property Unit, Administrative Service

- The Receiving/Releasing Staff (name and designation) receives the documents and records in the logbook the receipt of the Report on Accumulated Depreciation and the IIRUP;

- The Receiving/Releasing Staff (name and designation) forwards the Report on Accumulated Depreciation and the IIRUP to the Head, Supply and Property Unit, copy furnished the Records Custodian (name and designation);
- The Head, Supply and Property Unit (name and designation) reviews and forwards to the Assistant Head, Supply and Property Unit, for appropriate action;
- The Assistant Head, Supply and Property Unit (name and designation) evaluates and assigns to the Property Officer for processing;
- The Property Officer (name and designation) accomplishes column 8, "Accumulated Depreciation" of the IIRUP and signs on the "Requested By" portion of the IIRUP;
- The Property Officer (name and designation) forwards the duly accomplished "Inventory" portion of the IIRUP and/or Waste Materials Report (WMR)[12], Property Cards and the Report on Accumulated Depreciation from the Financial and Management Service. The IIRUP shall be accompanied by any of the following, among others:
 - 42.1 Individual Survey Report, duly certified by the Property Officer;
 - 42.2 List of missing spare parts, duly certified by the Property Officer;
 - 42.3 Stencils of chassis and engine numbers of motor vehicles, and
 - 42.4 Current photographs in two positions.
- The Assistant Head, Supply and Property Unit (name and designation) evaluates the IIRUP with the supporting documents. If in order, affixes its initials beside the name of the Head, Supply and Property Unit;
- The Head, Supply and Property Unit (name and designation) reviews, approves and signs the "Request for Inspection Approved By" portion of the IIRUP and forwards the IIRUP and its supporting documents to the Director, Administrative Service for approval of the submission of the IIRUP and supporting documents to the Disposal Committee[13];
- The Receiving/Releasing Staff (name and designation) records in the logbook the release of the signed IIRUP and have the recipient signs on the logbook and receiving copy of the document/s; and
- The Receiving/Releasing Staff (name and designation) forwards the receiving copy of the document/s to the Records Custodian (name and designation).

H. Administrative Service

- The Receiving/Releasing Staff (name and designation) receives the IIRUP, documents and records in the logbook the receipt of the signed IIRUP;
- The Receiving/Releasing Staff (name and designation) forwards to the Director, Administrative Service;
- The Director, Administrative Service (name and designation) reviews, approves and signs the transmittal letter of the IIRUP and the supporting documents for the Disposal Committee;
- The Receiving/Releasing Staff (name and designation) records in the logbook the release of the documents and forwards the IIRUP duly signed by the Property Officer and the Head, Supply and Property Unit, and/or the Waste Materials Report and the Report on Accumulated Depreciation from the Financial and Management Service. "The IIRUP shall be accompanied by any of the following, among others:
 - 50.1 Individual Survey Report, duly certified by the Property Officer;
 - 50.2 List of missing spare parts, duly certified by the Property Officer;
 - 50.3 Stencils of chassis and engine numbers of motor vehicles, and

50.4 Current photographs in two positions.

- The Receiving/Releasing Staff (name and designation) forwards the receiving copy of the document/s to the Records Custodian (name and designation).

I. Disposal Committee

- The Receiving/Releasing Staff (name and designation) receives the documents and records in the logbook the receipt of the IIRUP duly signed by the Property Officer and the Head, Supply and Property Unit, and/or the Waste Materials Report and the Report on Accumulated Depreciation from the Financial and Management Service. The IIRUP shall be accompanied by any of the following, among others:

52.1 Individual Survey Report, duly certified by the Property Officer;

52.2 List of missing spare parts, duly certified by the Property Officer;

52.3 Stencils of chassis and engine numbers of motor vehicles, and

52.4 Current photographs in two positions.

- The Receiving/Releasing Staff (name and designation) forwards the IIRUP, and/or Waste Materials Report and other supporting documents to the Disposal Committee Chairman, copy furnished the Records Custodian (name and designation);

- The Disposal Committee Chairman (name and designation) reviews and forwards the IIRUP and/or Waste Materials Report and other supporting documents to the Disposal Committee Secretariat;

- The Disposal Committee Secretariat (name and designation) evaluates and forwards all the documents to the Technical Staff;

- The Technical Staff (name and designation) accomplishes the Check List for Unserviceable Equipment[14];

- The Disposal Committee and the Technical Staff (name and designation) conduct an ocular inspection[15] of the property to be appraised to assess its physical condition and performs the following activities[16]:

57.1

Identify the property in accordance with its descriptions in the inventory list or directive;

57.2

Check the condition of the property; determine whether operational, under repair, or irreparable;

57.3

Determine if property is economically repairable and the most probable cost of its repairs, and current costs of spare parts;

57.4

Check for the damaged/worn-out or missing parts. Careful determination of its present physical condition shall serve as basis for its depreciation and correct evaluation/valuation. Verify stated ratings, capacity, model, year of manufacture, serial number, chassis number, motor number and other technical specifications, and accessories, if any;

57.5

Determine the correct date when property has been acquired or its present age/number of years property has been

actually used or operated;

57.6

See if property is obsolete or is still being manufactured and if spare parts are still procurable in the market. If property is found obsolete, appraise the property as junk;

57.7

Determine the quality or degree of maintenance, repair, restoration or upgrading made, check logbook, if available;

57.8

Determine the extent of use, mileage, rate of depreciation, and any excessive wear and tear;

57.9

Determine whether the property has still market demand, or the existence of probable buyers in the locality;

57.10

Inspect the location of the properties and the available facilities for its transportation;

57.11

See if property is sheltered or exposed to elements and theft; and

57.12

If property is to be disposed of as junk, determine parts which could be salvaged or profitably used such as engine, dynamo, wheels, tires, axles, body/chassis, etc. of motor vehicles. These salvaged parts could either be transferred to or used by other equipment or shall serve as its spare or standby parts. In cases where there are no equipment which could make use of these salvaged parts, determine if there are available buyers of these parts and if disposing them separately from the equipment would bring the best returns to the agency.

- The Technical Staff (name and designation) prepares the Ocular Inspection Report based on the information gathered during the ocular inspection;

- The Technical Staff (name and designation) gathers the reference price information as aid in the appraisal computations[17], such as the current market value[18], acquisition cost[19], and replacement cost[20] and prices from second hand rebuilders and reconditioners of machinery, cars or equipment, and currency exchange rates for acquisition year and current year;

- The Technical Staff (name and designation) computes the appraised value[21] by following the revised formulae on appraisal of government properties except real estate, antique property and works of art contained in Section 8.0 of the Revised Appraisal Guidelines, which will take into account the property's actual physical condition, the relevant reference price information, expected useful life of the property and the changes in the value of the property caused by depreciation, and those caused by changes in the value of the exchange currency, the peso, and the appreciation in the value of the property occasioned by the reconditioning, major repair or upgrade of the property as well as favorable changes in the exchange value of the Philippine pesos, using the following guidelines and principles in the determination of the appraised value[22]:

60.1

Unserviceable property which can no longer be repaired or reconditioned and waste materials shall be appraised at scrap or junk value;

60.2

Unserviceable property which can still be repaired or reconditioned, and property no longer needed which are still functional shall be appraised at current market value, if such is available, if not, it shall be appraised based on its current market value, if such is available, otherwise it shall be appraised based on its Acquisition Cost (AC). If the CMV and AC are both not available, the property shall be appraised at Sound Value[23](SV);

60.3

Sound value, a measure of value widely used by valuers and appraisers, is derived from replacement cost new (RCN), adjusted to the observed condition of the property for appraisal;

60.4

Antique property, works of art, and real estate are not covered under these guidelines. Antique property and works of art shall be appraised by the National Museum, and real estate shall be appraised under a separate set of guidelines;

60.5

Condition Factor is the adjustment factor used to consider the actual condition of the property thru an evaluation of the state or condition of the major components of the property relative to an ideally functioning model. The condition factor may be estimated based on the component and condition of the property. The following are the guidelines in observing the condition of the property:

60.5.1

Very Good (VG (80-100%) - this term describes a property in excellent condition capable of being used to its fully specified utilization for its designed purpose without being modified and not requiring any repairs or abnormal maintenance at the time of inspection or within the foreseeable future;

60.5.2

Good Condition (55-75%) - this term describes a property which has been modified or repaired and is being used at or near its fully specified utilization but the effects of age and/or utilization indicate that some minor repairs have to be made or that the item may have to be used to some slightly lesser degree than its fully specified utilization in the foreseeable future;

60.5.3

Fair Condition (35-50%) - this term describes a property which is being used at some point below its fully specified utilization because of the effects of age and/or utilization and which requires general repairs and some replacement or minor elements/components in the foreseeable future to raise its level of utilization to or near their original specifications;

60.5.4

Poor Condition (15-30%) - this term is used to describe a property which can only be used at some point well below its fully specified utilization and it is not possible to realize full capability in its current condition without extensive repairs and/or the replacement of major elements in the very near future;

60.5.5

Scrap Condition (0-10%) - this term is used to describe a property which is no longer serviceable and which cannot be utilized to any practical degree regardless of the extent of the repairs or modifications to which they may be subjected (beyond economical repair). This condition which have used up 100 percent of useful life or which are 100 percent technologically or functionally obsolescent.

The gap in percentage allocation is aimed to delineate the closeness of factors between condition categories. The 4% difference in each case clearly sets the limits of percentage range.

60.6

For imported vehicles/mechanized equipment, each component that has no available local replacement shall be treated as junk, exclusive of the other components, which are available in the domestic market.

- The Technical Staff (name and designation) recommends the modes of disposal[24], to wit:

61.1

Condemnation/Destruction of Property - through pounding, burning, breaking, shredding, throwing or any other method by which the property is disposed beyond economic repair. Destruction shall be made in the presence of the Disposal Committee;

61.2

Transfer of Property[25] - Upon the initiative of the owning agency or upon submission of request to the owning agency, property recommended for disposal may be transferred to another government agency. Transfer may be done either with or without cost. Cost herein refers to payment based on the appraised value of the property;

61.3

Barter - An agency transfers property to another government agency in exchange for another piece of property. The value of the property transferred may or may not be equivalent to that being received;

61.4

Donation of Property - May be to charitable, scientific, educational, or cultural institutions;

61.5

Sale of Unserviceable Property - Sale thru Public Bidding as a general rule, is the mode of disposal. This is done thru sealed public bidding or when circumstances warrant, by viva voce. Sale thru Negotiated Sale is resorted to as a consequence of two (2) failed bidding.

- The Technical Staff (name and designation) fills up the Inspection portion (columns 9-14) of the IIRUP;
- The Technical Staff (name and designation) submits the IIRUP to the Disposal Committee thru the Disposal Committee Secretariat;
- The Disposal Committee Secretariat (name and designation) evaluates the IIRUP and the supporting documents before forwarding to the Disposal Committee for approval;
- The Disposal Committee reviews and adopts an appraised value, which they deem most advantageous to the government based on either of the following, if the Committee cannot arrive at a consensus[26]:

65.1

The highest appraised value submitted by a Committee member;

65.2

The average of the submitted appraised value plus 10%:

65.2.1

The minimum value shall be set depending on how the property shall be sold, i.e., by piece, by lot or all lot; and

65.2.2

The minimum value shall be good for only six months.

The final appraised value of all disposable property should consider obsolescence, market demand, physical condition and result of previous bidding for similar property;

- The Disposal Committee Chairman (name and designation) reviews, approves and signs the IIRUP and/or the WMR after all the Committee Members (names and designations) agreed to the appraised value, the mode of disposal and the transmittal letter for the Head of the Agency or authorized official/signatory informing the latter of the submission of a copy of the report of inspection[27] or request for inspection and appraisal[28] of the property to be disposed to the COA Auditor;

- The Disposal Committee Chairman (name and designation) submits to the Head of the Agency or authorized official/signatory, the duly accomplished IIRUP and/or the Waste Materials Report and other documents, including the draft transmittal letter submitting a copy of the report of inspection or request for inspection and appraisal of the property to be disposed to the COA Auditor;

- The Receiving/Releasing Staff (name and designation) records in the logbook the release of the duly accomplished IIRUP and/or the Waste Materials Report, including the draft transmittal letter submitting a copy of the report of inspection or request for inspection and appraisal of the property to be disposed to the COA Auditor. The IIRUP shall be accompanied by any of the following, among others:

68.1 Individual Survey Report, duly certified by the Property Officer;

68.2 List of missing spare parts, duly certified by the Property Officer;

68.3 Stencils of chassis and engine numbers of motor vehicles, and

68.4 Current photographs in two positions. and

- The Receiving/Releasing Staff (name and designation) forwards the receiving copy of the document/s and all other documents to the Records Custodian (name and designation).

J. Office of the Head of the Agency

- The Receiving/Releasing Staff (name and designation) receives the documents and records in the logbook the receipt of the duly accomplished IIRUP and/or the Waste Materials Report, including the draft transmittal letter submitting a copy of the report of inspection or request for inspection and appraisal of the property to be disposed to the COA Auditor. The IIRUP shall be accompanied by any of the following, among others:

70.1 Individual Survey Report, duly certified by the Property Officer;

70.2 List of missing spare parts, duly certified by the Property Officer;

70.3 Stencils of chassis and engine numbers of motor vehicles, and

70.4 Current photographs in two positions.

- The Receiving/Releasing Staff (name and designation) forwards to the Head of the Agency or authorized official/signatory;

- The Head of the Agency or authorized official/signatory (name and designation) reviews and approves the recommendation of the Disposal Committee, if in order, on the appraisal, the modes of disposal of unserviceable property and submitting a copy of the report of inspection[29] or request for inspection and appraisal[30] of property to be disposed to the COA Auditor;

- The Head of the Agency or authorized official/signatory (name and designation) approves and signs the transmittal letter submitting a copy of the report of inspection or request for inspection and appraisal of the property to be disposed to the COA Auditor;

- The Receiving/Releasing Staff (name and designation) records in the logbook the release to the COA Auditor and the Disposal Committee the duly accomplished IIRUP and/or the Waste Materials Report, including the transmittal letter submitting a copy of the report of inspection or request for COA inspection and appraisal of the

property to be disposed to the COA Auditor. The IIRUP shall be accompanied by any of the following, among others:

- 74.1 Individual Survey Report, duly certified by the Property Officer;
- 74.2 List of missing spare parts, duly certified by the Property Officer;
- 74.3 Stencils of chassis and engine numbers of motor vehicles, and
- 74.4 Current photographs in two positions.

and have the recipients sign on the logbook and the receiving copy of the document/s; and

- The Receiving/Releasing Staff (name and designation) forwards the receiving copy of the documents/s and other documents to the Records Custodian (name and designation).

K. Office of the Head of the Agency (In Case of a Request for COA Inspection and Appraisal of the Property to be Disposed[31])

- The Receiving/Releasing Staff (name and designation) receives the COA Inspection Report including the IIRUP and/or Waste Materials Report and other supporting documents and records in the logbook;
- The Receiving/Releasing Staff (name and designation) forwards the COA Inspection Report and other documents to the Head of the Agency or authorized official/ signatory;
- The Head of the Agency or authorized official/signatory (name and designation) reviews and forwards the COA Inspection Report and other documents to the Disposal Committee;
- The Receiving/Releasing Staff (name and designation) records the release on the logbook of the COA Inspection Report and other documents and have the recipient signs on the logbook and the receiving copy of the documents; and
- The Receiving/Releasing Staff (name and designation) forwards the signed receiving copy of the document/s to the Records Custodian (name and designation).

L. Disposal Committee

- The Receiving/Releasing Staff (name and designation) receives the approval of the Head of the Agency or authorized official/signatory, on the appraisal, the modes of unserviceable property, the IIRUP and/or WMR and other supporting documents, and in case of a request for inspection and appraisal to the COA Auditor, the COA Inspection Report and other documents, and records in the logbook the receipt of these documents;
- The Receiving/Releasing Staff (name and designation) forwards to the Disposal Committee Chairman the approval of the Head of the Agency or authorized official/signatory on the appraisal, modes of disposal of the unserviceable property, the IIRUP and/or WMR and other supporting documents, and in case of a request for inspection and appraisal to the COA Auditor, the COA Inspection Report and other documents and records in the logbook the receipt of these documents, copy furnished the Records Custodian (name and designation);
- The Disposal Committee Chairman (name and designation) reviews and forwards the approval of the Head of the Agency or authorized official/signatory on appraisal, the modes of disposal of the unserviceable property, the IIRUP and/or WMR and other supporting documents, and in case of a request for inspection and appraisal to the COA Auditor, the COA Inspection Report and other documents to the Disposal Committee Secretariat;
- The Disposal Committee Secretariat (name and designation) evaluates and forwards the documents, and in case of a request for inspection and appraisal to the COA Auditor, the COA Inspection Report, the IIRUP and/or WMR and other supporting documents to the Technical Staff;

- The Technical Staff (name and designation) examines the COA Inspection Report with the report prepared by the Disposal Committee;
- The Technical Staff (name and designation) prepares and submits its report to the Disposal Committee thru the Disposal Committee Secretariat;
- The Disposal Committee Secretariat (name and designation) evaluates the report of the Technical Staff with the COA Inspection Report and forwards to the Disposal Committee;
- The Disposal Committee Chairman (name and designation) and its members (names and designations) review and approve the report of the Technical Staff with the COA Inspection report and forward the approved report to the Disposal Committee Secretariat;
- The Disposal Committee Secretariat (name and designation) prepares the necessary documents in the implementation of the approved mode of disposal i.e. the Invoice Receipt for Property for PPE to be transferred and/or for barter, deed of donation for donation of PPE, inventory list of PPE items for condemnation/destruction, bid documents such as the invitation to bids for sale thru public auction;

L.1 Disposal Through Sale of Unserviceable Property

- The Disposal Committee conducts public auction[32] for the sale of unserviceable property which are found to be valuable, to wit:

90.1

Prebidding Requirements:

90.1.1

Preparation of the Invitation to Bid (ITB)

90.1.2

Publication of the ITB[34]

90.1.3

Schedules of Bidding[35]

90.2

Opening of Bids[36]

If the sale through public bidding is unsuccessful, a rebidding shall be scheduled. Bidding may be declared

unsuccessful in any of the following cases:

90.2.1

There are no bidding participant

90.2.2

Only one (1) bidder submitted a bid tender for each lot

90.2.3

All bidders failed to comply with the terms and conditions prescribed in the Invitation to Bid

90.2.4

Complying bidders failed to meet the minimum bid price.

In case of failure of the second bidding, the Disposal Committee may dispose of the 9 property through negotiation[37].

- The Disposal Committee does the following[38], if after the exposure of the property to public auction, as required under Sec. 79 of PD 1445, the highest bidder falls below the government floor price:

91.1

Determines whether the difference is excessive. The amount of deviation of the highest bid from the floor/reference value is considered excessive when it is greater than 10% of the flow/reference value plus the cost of calling another public auction;

91.2

If the difference is found not excessive, the agency shall continue with the sale of the unserviceable properties. If the difference is found to be excessive, the agency shall call for another public auction with the floor/reference value reduced by 10%;

91.3

If the second auction still fails, i.e., the highest bid is still excessively lower than the reduced floor/reference value, then the sale may be negotiated with the highest offeror.

- The Disposal Committee, after the second failed bidding, negotiates[39] with the bidders of the first and/or second failed bidding and other prospective bidders such as those who obtained bid forms but did not submit bid tenders at a price not lower than 80% of the appraised value. If negotiation is done after one (1) month, participants in the negotiation shall be expanded to include other potential buyers. If negotiation shall take place after six (6) months from date of second failed bidding, the property shall be reappraised and sold at not lower than 90% of reappraised value. Bid bonds shall be required from all participants in the negotiation;

- The Technical Staff (name and designation) prepares the Abstract of Bids[40];
- The Disposal Committee Secretariat (name and designation) evaluates the Abstract of Bids and forwards to the Disposal Committee for signature;
- The Disposal Committee reviews, approves and signs the Abstract of Bids;
- The Disposal Committee reviews and determines/chooses the highest complying bidder and recommends[41] the latter to the Head of the Agency or designated signatory;
- The Disposal Committee Secretariat (name and designation) prepares the transmittal letter to the Head of the Agency or authorized official/signatory indicating therein the recommendation of the Disposal Committee on the highest bidder, and the Notice of Award to be signed by the Head of the Agency or authorized official/signatory;
- The Disposal Committee Chairman (name and designation) reviews, approves and signs the transmittal and forwards the documents to the Disposal Committee Secretariat;
- The Disposal Committee Secretariat (name and designation) evaluates and forwards the documents to the Receiving/Releasing Staff (name and designation);
- The Receiving/Releasing Staff (name and designation) records the release of the transmittal letter signed by the Disposal Committee Chairman, Abstract of Bids, draft Notice of Award and other supporting documents; and
- The Receiving/Releasing Staff (name and designation) forwards the receiving copy of the documents/s and other documents to the Records Custodian (name and designation).

L1.2 Office of the Head of the Agency (On the Signature of the Notice of Award)

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- The Receiving/Releasing Staff (name and designation) receives the documents and records the receipt of the documents from the Disposal Committee for the Head of the Agency or authorized official/signatory;
- The Receiving/Releasing Staff (name and designation) forwards the documents to the Head of the Agency or authorized official/signatory;
- The Head of the Agency or authorized official/signatory (name and designation) reviews, approves and signs[42] the Notice of Award if the documents are in order Otherwise, the documents shall be returned to the Disposal Committee Chairman;
- The Receiving/Releasing Staff (name and designation) records on the logbook the release of the documents to the Disposal Committee and have the recipient signs on the logbook and the receiving copy of the document/s; and
- The Receiving/Releasing Staff (name and designation) forwards the receiving copy of the document/s to the Records Custodian (name and designation).

L1.3 Disposal Committee (After Receipt of the Notice of Award by the Winning Bidder/Awardee)

- The Receiving/Releasing Staff (name and designation) receives the Notice of Award signed/approved by the Head of the Agency or authorized official/signatory and other documents, if any, and records the receipt of the document/s on the logbook;
- The Receiving/Releasing Staff (name and designation) forwards the Notice of Award to the Disposal Committee

Chairman, copy furnished the Records Custodian (name and designation);

- The Disposal Committee Chairman (name and designation) reviews and forwards to the Disposal Committee Secretariat;
- The Disposal Committee Secretariat (name and designation) evaluates and forwards the Notice of Award to the Receiving/Releasing Staff;
- The Receiving/Releasing Staff (name and designation) releases the Notice of Award to the winning bidder/awardee and have the recipient signs on the logbook and the receiving copy of the document/s;
- The Disposal Committee Secretariat (name and designation), upon presentation of the official receipt by the winning bidder/awardee as proof of full payment[43], schedules the date of claims of the items/property by the latter;
- The Disposal Committee Chairman (name and designation) and its members (names and designations) witness the actual claims[44] of the items/property by the winning bidder/awardee in the presence of the Property Officer or his duly authorized representative;
- The Disposal Committee Secretariat (name and designation) requires the winning bidder/awardee to sign on the tally-out sheet⁴⁵ prepared by the Property Officer, acknowledging the receipt of the items/property; and
- The Disposal Committee Secretariat (name and designation) accomplishes columns 15-16 of the IIRUP and the column "Records of Sales" of the WMR, based on the official receipts issued by the Collecting Officer.

Please go to letter M for the next steps

L.2. Disposal Through Transfer of Property of Unserviceable Property[46]

- The Disposal Committee Secretariat (name and designation) requires the Invoicing Accountable Officer (name and designation) to sign under the "Invoice" portion of the Invoice Receipt for Property[47] form;
- The Disposal Committee Secretariat (name and designation) requires the recipient of the items/property to pay to the Collecting Officer of the owning agency the cost of the items/property, if to be transferred with cost;
- The Disposal Committee Secretariat (name and designation) after payment by the recipient of the items/property to be disposed, if transfer with cost, schedules the actual pick of the items/property to be transferred; and
- The Disposal Committee Secretariat (name and designation) requires the recipient of the items/property to be transferred to sign on the "Receipt" portion of the Invoice Receipt for Property upon receipt of the items/property.

Please go to letter M for the next steps

L.3. Disposal Through Barter of Unserviceable Property

- The Disposal Committee Secretariat (name and designation) requires the Invoicing Accountable Officer (name and designation) to sign under the "Invoice" portion of the Invoice Receipt for Property[48] form;
- The Disposal Committee Secretariat (name and designation) schedules the actual exchange of the items/property for barter; and
- The Disposal Committee Secretariat (name and designation) requires the recipient of the items/property for barter to sign on the "Receipt" portion of the Invoice Receipt for Property upon receipt of the items/property.

Please go to letter M for the next steps

L.4. Disposal Through Donation of Unserviceable Property

- The Disposal Committee Secretariat (name and designation) facilitates the signing of the deed of donation by the authorized officials/signatories of the owning agency and the receiving agency,
- The Disposal Committee Secretariat (name and designation) facilitates the notarization of the deed of donation by a notary public in the presence of the authorized officials/signatories of the owning agency and the receiving agency;
- The Disposal Committee Secretariat (name and designation) schedules the actual pick of the items/property for donation; and

Please go to letter M for the next steps

L.5. Disposal Through Condemnation/Destruction

- The Disposal Committee Secretariat (name and designation) schedules the date of the condemnation/destruction[49];
- The Disposal Committee Chairman (name and designation) and its members (names and designations) witness the actual destruction of the items/property for condemnation/destruction; and
- The Disposal Committee Chairman (name and designation) and its members (names and designations) sign on the Inventory List of Items/Property for Condemnation/Destruction as proof that the condemnation/destruction was made in their presence.

Please go to letter M for the next steps

M. Disposal Committee (After actual disposal of the property)

- The Disposal Committee Secretariat (name and designation) requires disinterested person who witnessed the disposition to sign the "Witness to Disposition" portion of the IIRUP and/or WMR;
- The Disposal Committee Secretariat (name and designation) evaluates the IIRUP and/or WMR and other supporting documents i.e., the Invoice Receipt for Property, Deed of Donation, Inventory List of Items/Property for Condemnation/Destruction, to be forwarded to the Accounting Unit (original copy) and Property Officer (duplicate copy) which shall be used as basis in adjusting the accounts affected in the books of accounts and the update of the corresponding ledger cards;
- The Disposal Committee Secretariat (name and designation) prepares the After Disposal Report of Unserviceable Property for submission to the Head of the Agency or authorized official/signatory for information;
- The Disposal Committee Chairman (name and designation) and members (names and designations) review, approve and sign the After Disposal Report and forwards to the Head of the Agency or authorized official/signatory;
- The Disposal Committee Secretariat (name and designation) evaluates and forwards the After Disposal Report to the Head of the Agency or authorized official/signatory;
- The Receiving/Releasing Staff (name and designation) records in the logbook the release of the After Disposal Report and other documents to the:

134.1

Accounting Unit, the original copies of the IIRUP and/or WMR and other supporting documents i.e., the Invoice

Receipt for Property, Deed of Donation, Inventory List of Items/Property for Condemnation/Destruction, as basis in adjusting the accounts affected in the books of accounts and the update of the corresponding ledger cards;

134.2

Property Officer, the duplicate copies of the IIRUP and/or WMR and other supporting documents i.e., the Invoice Receipt for Property, Deed of Donation, Inventory List of Items/Property for Condemnation/Destruction, as basis in the update of the corresponding Property Cards; and the

134.3

Head of the Agency or authorized official/signatory, the After Disposal Report and supporting documents, if any, and have the recipients sign on the logbook and receiving copy of the documents; and

- The Receiving/Releasing Staff (name and designation) forwards the receiving copy of the After Disposal Report and other documents to the Records Custodian (name and designation).

N. Office of the Head of the Agency (Department Secretary or Authorized Official/Signatory)

- The Receiving/Releasing Staff (name and designation) receives the documents and records in the logbook the receipt of the After Disposal Report and other documents; and

- The Receiving/Releasing Staff (name and designation) forwards to the Head of the Agency or authorized official/signatory the After Disposal Report, copy furnished the Records Custodian (name and designation).

[1] "Section 79. Destruction or sale of unserviceable property - When government property become unserviceable for any cause, or is no longer needed, it shall, upon application of the officer accountable therefor, be inspected by the head of the agency or his duly authorized representative in the presence of the auditor concerned and, if found to be valueless or unsalable, it may be destroyed in their presence. If found to be valuable, it may be sold at public auction to the highest bidder under the supervision of the proper committee on award or similar body in the presence of the auditor concerned or other duly authorized representative of the Commission, after advertising by printed notice in the Official Gazette, or for not less than three consecutive days in any newspaper of general circulation, or where the value of the property does not warrant the expense of publication, by notices posted for a like period in at least three public places in the locality where the property is to be sold. In the event that the public auction fails, the property may be sold at a private sale at such price as may be fixed by the same committee or body concerned and approved by the Commission ", 'P D 1445, "Government Auditing Code of the Philippines", 11 June 1978

[2] "Property not covered by AREs shall be considered under the direct supervision of the property officer who shall be accountable to the head of the agency ", page 95, COA Training Handbook on Property and Supply Management System, June 2011

[3] "Sec. 64. Inventory and Inspection Report for Unserviceable Property (IIRUP) The Inventory and Inspection Report of Unserviceable Property (Appendix 61) shall be used as basis to record dropping from the books of unserviceable properties carried in the Property, Plant and Equipment accounts ", COA Circular No 2002-002, "Manual on the New Government Accounting System", Volume II, 18 June 2001, and on page 117, "[t]his form is

used for the disposal of vehicles, mechanized equipment, office equipment, furniture, and semi-expendable materials. When accomplished, this form should also contain the list of missing parts, if any, which should be accompanied by a certification of the property officer or custodian as to whether the missing parts were removed for future stock or have been utilized already for repair purchases", COA Training Handbook on Property and Supply Management System, June 2011.

[4] "Sec. 42 Property Card (PC) The Property Card (Appendix 39) shall be used by the Supply and Property Unit to record the description, transfer/acquisition, disposal, and other information about the property, plant and equipment. It shall be kept for each class of property, plant and equipment". COA Circular No. 2002-002, "Manual on the New Government Accounting System", Volume II, 18 June 2001.

[5] "Sec. 66 Report on the Physical Count of Property, Plant and Equipment (RPCPPE) The Report on the Physical Count of Property, Plant and Equipment (Appendix 63) shall be used to report the physical count of property, plant and equipment by type as of a given date. It shows the balance of property and equipment per cards and per count and shortage/overage, if any." At the back of the form is the "Instructions" and under "Remarks" - "whereabouts, conditions and other relevant information relative to property, plant and equipment." On letter "C" of the "Instructions". "This shall be prepared yearly in three copies and shall be certified correct by the Inventory Committee and approved by the Head of the Agency". COA Circular No 2002-002, "Manual on the New Government Accounting System", Volume II, 18 June 2001.

[6] Pages 104-105. COA Training Handbook on Property and Supply Management System reprinted with revision in June 2011.

[7] "Beyond Economical Repair - when the cost of repair and maintenance becomes prohibitive and disadvantageous to the government considering such factors as maintenance expenses, downtime, replacement cost of spare parts, frequency of breakdown, alternative modes such as rental of equipment or outright replacement (DBM Manual 1 E[2.0]), X Definition of Terms, COA-PTTAF Manual on Disposal March 1997.

[8] "When the repair cost is more than fifty percent (50%) of its Fair Market Value, the property is no longer economically repairable.", page 87, COA Training Handbook on Property and Supply Management System, June 2011.

[9] "Obsolete Property - that which has lost its efficacy either due to technological advancement, change of procedures, reorganization of office, or completion of project (DBM Manual I. E[10.0]). Likewise, Obsolescence was defined as "the act or fact of passing out of use, getting out of date, becoming obsolete (The World of Dictionary)", X. Definition of Terms COA-PTTAF Manual on Disposal March 1997.

[10] "Sec 12 Subsidiary Ledger (SL). The SL x x x. Examples of subsidiary ledgers are : Subsidiary Ledger (SL) (Appendix 7) Property Plant and Equipment Ledger Card (PPELC) (Appendix 8) , Property, Plant and Equipment Ledger. Card-Specific Item (PPELC-SI) (Appendix 84), x x x", COA Circular No 2002-002, Manual on the New Government Accounting System, Volume II, 18 June 2001.

[11] Ibid

[12] "Sec. 63. Waste Materials Report (WMR). The Waste Materials Report (Appendix 60) shall be used to report all waste materials such as destroyed spare parts and other materials considered scrap due to replacement", COA Circular No 2002-002, "Manual on the New Government Accounting System". Volume II, 18 June 2001, and on page 117, "[t]his form is used in the disposal of waste materials which result from the consumption or utilization of expendable materials, and covers damaged equipment parts, empty containers, and remnants salvaged from destroyed or damaged fixed assets". COA Training Handbook on Property and Supply Management System, June 2011.

2011.

[13] Accountable Officials in possession of unserviceable property shall submit to the Disposal Committee through their respective heads of offices, x xx.", page 6, Part II, B(2.1), COA-PTTAF Manual on Disposal, March 1997

[14] "Section 4.1.2. The appraiser shall likewise accomplish the Check List for Unserviceable Equipment. This Check List for Unserviceable Equipment shall indicate the individual component/part of the equipment with their condition, whether serviceable, unserviceable, missing, etc. The agency could device their own form most appropriate to the equipment for appraisal. (See Annex A for the Check List for Unserviceable Vehicle) ", COA Memorandum No 98-569-A, "Revised Guidelines on Appraisal of Property Other Than Real Estate, Antique Property and Works of Art". 5 August 1998

[15] "Inspection is conducted to observe the physical condition of the property to be disposed", COA-PTTAF Manual on Disposal, March 1997; and Section "4.2.13 x x x, " [t]he objective of the inspection is to supplement theoretical computations of value with firsthand observation of the condition of the property The depreciation refers to observed depreciation to distinguish the results of personal inspection from those of theoretical estimates ", page 117, COA Memorandum No 98-569-A, "Revised Guidelines on Appraisal of Property Other Than Real Estate, Antique Property and Works of Art", 5 August 1998.

[16] COA Memorandum No 98-569-A "Revised Guidelines on Appraisal of Property Other Than Real Estate, Antique Property and Works of Art". 5 August 1998.

[17] COA Memorandum No. 98-569-A, "Revised Guidelines on Appraisal of Property Other Than Real Estate Antique Property and Works of Art", 5 August 1998.

[18] "Current Market Value (CMV) - or the prevailing market/advertised prices of used equipment/cars of the same make and model or similar models", COA Memorandum No 98-569-A, "Revised Guidelines on Appraisal of Property Other Than Real Estate, Antique Property and Works of Art", 5 August 1998.

[19] "Acquisition Cost (AC) or the price at which property was acquired", COA Memorandum No. 98-569-A, "Revised Guidelines on Appraisal of Property Other Than Real Estate, Antique Property and Works of Art", 5 August 1995.

[20] "Replacement Cost New (RCN) - price of comparable or similar new property for current year, COA Memorandum No. 98-569-A, "Revised Guidelines on Appraisal of Property Other Than Real Estate, Antique Property and Works of Art", 5 August 1998.

[21] "Appraised Value (AV) - an estimate or opinion of value of an adequately described property as of a specific date transmitted in writing and supported by presentation and analysis of relevant and factual date.", COA Memorandum No. 98-569-A, "Revised Guidelines on Appraisal of Property Other Than Real Estate, Antique Property and Works of Art", 5 August 1998.

[22] "Section 3.3 of the General Procedures, COA Memorandum No 98-569-A, "Revised Guidelines on Appraisal of Property Other Than Real Estate, Antique Property and Works of Art", 5 August 1998.

[23] "Sound Value - is a measure of value widely used by valuers and appraisers and is derived from Replacement Cost - New (RCN), minus observed depreciation, tempered by consideration given the actual condition and utility of the property (COA Memo No. 88-569, VI A[5]", X Definition of Terms, COA-PTTAF Manual on Disposal, March 1997.

[24] Pages 17-18, COA-PTTAF, Manual on Disposal. March 1997

[25] "Section 76. Transfer of property between government agencies. - Any government property that is no longer serviceable or needed by the agency to which it belongs may be transferred without cost, or at an appraised value, to other agencies of the government upon authority of the respective heads of agencies in the national government, or of the governing bodies of government-owned or controlled corporations, other self-governing boards or commissions of the government, or of the local legislative bodies for local government unit concerned, P D 1445, "Government Auditing Code of the Philippines", 11 June 1978.

[26] Page 15, COA-PTTAF Manual on Disposal, March 1997.

[27] "5.0 ENUMERATION OF PRE-AUDIT ACTIVITIES LIFTED. x x x, 5.01.06 Witnessing of the opening of bids. x x x, 5.01.14 Witnessing of condemnation/destruction and approval of negotiated price, of unserviceable government property and other disposable assets of the audited agencies " Likewise. 6.0 DUTIES AND RESPONSIBILITIES OF AGENCY OFFICIALS, x x x, 6.09 Inspection of x x x, as well as unserviceable and disposable government property and other assets, shall be conducted by management A copy of the report of inspection or its equivalent shall be submitted to the Head of the Auditing Unit within x xx, in the case of unserviceable and disposable property/assets, immediately after inspection thereof by management.", COA Circular No 95-006, Total lifting of pre-audit on all financial transactions of the National Government agencies, government-owned and/or controlled corporations and local government units", 18 May 1995, and "Pre-audit activities shall henceforth be the responsibility of the agencies concerned as part of their accounting and fiscal control processes", COA Circular No. 2011-002, "Lifting of Pre-Audit of Government Transactions", 22 July 2011

[28] "4.1 Responsibilities of the Auditor, 4 1.1 Upon receipt of the Inventory and Inspection Report or Waste Materials Report, the Auditor inspects the property to verify justification for its disposal or he/she may refer the same to the Technical Services Office if determination of its physical condition is beyond his/her technical expertise. However, conduct of inspection by COA shall not hamper/hinder the actual disposal of the property by management and in no way be a pre-requisite to such disposition. 4 1.2 In the post-audit of transaction involving the disposal of unserviceable and no longer needed property, the Auditor may seek the assistance of the Technical Services Office in determining the reasonableness of the appraised value of the property." Under "4.2.2 Review of the Appraised Value, xxx, [t]he Review Report of the TAS shall include among others, the computation of the Appraised Value if there is a price variance of more than 10%, price references and recommendation The Review Report shall then be used as basis in the post-audit of the transaction involved, COA Manual on the Guidelines on the Renew of Appraised Value of Disposed Property, Except Real Estate, Antique Property and Works of Art", The form "Inventory and Inspection Report" mentioned above is now referred to as " Inventory and Inspection for Unserviceable Property" under the Manual on the New Government Accounting System. Volume II. Appendix 61.

[29] "5.0 ENUMERATION OF PRE-AUDIT ACTIVITIES LIFTED, x x x, 5.01.06 Witnessing of the opening of bids, x x x, 5.01.14 Witnessing of condemnation/destruction, and approval of negotiated price, of unserviceable government property and other disposable assets of the audited agencies " Likewise, "6.0 DUTIES AND RESPONSIBILITIES OF AGENCY OFFICIALS, x x x. 6.09 Inspection of x x x, as well as unserviceable and disposable government property and other assets, shall be conducted by management. A copy of the report of inspection or its equivalent shall be submitted to the Head of the Auditing Unit within x xx, in the case of unserviceable and disposable property/assets, immediately after inspection thereof by management ", COA Circular No 95-006, "Total lifting of pre-audit on all financial transactions of the National Government agencies, government-owned and/or controlled corporations and local government units", 18 May 1995; and "Pre-audit activities shall henceforth be the responsibility of the agencies concerned as part of their accounting and fiscal

control processes", COA Circular No. 2011-002, "Lifting of Pre-Audit of Government Transactions", 22 July 2011

[30] "4.1 Responsibilities of the Auditor, 4.1.1 Upon receipt of the inventory and Inspection Report or Waste Materials Report, the Auditor inspects the property to verify justification for its disposal or he/she may refer the same to the Technical Services Office if determination of its physical condition is beyond his/her technical expertise. However, conduct of inspection by COA shall not hamper/hinder the actual disposal of the property by management and in no way be a pre-requisite to such disposition. 4.1.2 In the post-audit of transaction involving the disposal of unserviceable and no longer needed property, the Auditor may seek the assistance of the Technical Services Office in determining the reasonableness of the appraised value of the property." Under "4.2.2 Review of the Appraised Value, x x x. [t]he Review Report of the TAS shall include among others, the computation of the Appraised Value if there is a price variance of more than 10%, price references and recommendation. The Review Report shall then be used as basis in the post-audit of the transaction involved. COA Manual on the 'Guidelines on the Review of Appraised Value of Disposed Property, Except Real Estate, Antique Property and Works of Art'. The form "Inventory and Inspection Report" mentioned above is now referred to as "Inventory and Inspection for Unserviceable Property" under the Manual on the New Government Accounting System, Volume II, Appendix 61

[31] "6.09 "Inspection of x xx, unserviceable and disposable government property and other assets, shall be conducted by management. A copy or the report of inspection or its equivalent shall be submitted to the Head of the Auditing Unit within x xx, in the case of unserviceable and disposable property/assets, immediately after inspection thereof by management", COA Circular No. 95-006, "Total lifting of pre-audit on all financials of the National Government agencies, government-owned and/or controlled corporations and local government agencies", 18 May 1995, and "4.1.1. Upon receipt of the Inventory and Inspection Report or Waste Materials Report, the Auditor inspects the property to verify justification for its disposal or he/she may refer the same to the Technical Services Office if determination of its physical condition is beyond his/her technical expertise. However, conduct of inspection by COA shall not hamper/hinder the actual disposal of the property by management and in no way be a pre-requisite to such disposition. 4.1.2 In the post-audit of transaction involving the disposal of unserviceable and no longer needed property, the Auditor may seek the assistance of the Technical Services Office in determining the reasonableness of the appraised value of the property X x x, 4.2.2 Review of the Appraised Value, xxx. [t]he Review Report of the TAS shall include among others, the computation of the Appraised Value if there is a price variance of more than 10%, price references and recommendation. The Review Report shall then be used as basis in the post-audit of the transaction involved", COA Manual on the "Guidelines on the Review of Appraised Value of Disposed Property, Except Real Estate, Antique Property and Works of Art"; The form "Inventory and Inspection Report" mentioned above is referred to as "Inventory and Inspection for Unserviceable Property" under the Manual on the New Government Accounting System, Volume II, Appendix 60, and "Pre-audit activities shall henceforth be the responsibility of the agencies concerned as part of their accounting and fiscal control processes", COA Circular No. , 2011-002, "Lifting of Pre-Audit of Government Transactions", 22 July 2011

[32] "Section 79 Destruction or sale of unserviceable property - x xx If found to be valuable it may be sold at public auction to the highest bidder under the supervision of the proper committee on award or similar body in the presence of the auditor concerned or other duly authorized representative of the Commission, after advertising by printed notice in the Official Gazette, or for not less than three consecutive days in any newspaper of general circulation, or where the value of the property does not warrant the expense of publication, by notices posted for a like period in at least three public places in the locality where the property may be sold. In the event that the public auction fails, the property may be sold at a private sale at such price as may be fixed by the same committee or

body concerned and approved by the Commission", PD 1445, "Government Auditing Code of the Philippines", 11 June 1978, "5.0 ENUMERATION OF PRE-AUDIT ACTIVITIES LIFTED, x x x, 5.01.06 Witnessing of the opening of bids, x x x, 5.01.14 Witnessing of condemnation/destruction, and approval of negotiated price, of unserviceable government and other disposal assets of the audited agencies." Likewise, "6.0 DUTIES AND RESPONSIBILITIES OF AGENCY OFFICIALS, x x x, 6.09 Inspection of x xx, as well as unserviceable and disposable government property and other assets, shall be conducted by management. A copy of the report of inspection or its equivalent shall be submitted to the Head of the Auditing Unit within x xx, in the case of unserviceable and disposable property/assets, immediately after inspection thereof by management.", COA Circular No. 95-006, "Total lifting of pre-audit on all financial transactions of the National Government agencies, government-owned and/or controlled corporations and local government agencies", 18 May 1995, and "Pre-audit activities shall henceforth be the responsibility of the agencies concerned as part of their accounting and fiscal control processes", COA Circular No. 2011-002, "Lifting of Pre-Audit of Government Transactions", 22 July 2011.

[33] "The guidelines/procedures in the sale of property is contained in Part III of the DBM Manual on Disposal of Government Property", page 18, COA-PTTAF, Manual on Disposal, March 1997; "Preparation of the Invitation to Bid (ITB). The Invitation to Bid (ITB) is prepared by the owning agency and signed by the agency head or any authorized official. The ITB must contain the following: a. The name of the owning agency; b. Sufficient descriptive information on the items/lots for bidding, such as; location of the property to be disposed, quantity, name of items, specifications, when necessary, c. Date, time and place of pre-bidding conference, if necessary, d. Date, time and place of submission and opening of bids, e. Information on bidding requirements such as the accomplishment of the bid tender, submission of bid bonds, terms of payment and claims, among others, f. Reservation or option on the part of the government to accept or reject any or all bids", Part III. Guidelines/Procedures in the Sale of Property, A(1), National Budget Circular No 425, Manual on Disposal of Government Property, 28 January 1992

[34] Ibid; and "Publication of the ITB. The ITB must be published in a newspaper of general circulation if the cost of such publication does not exceed 50% of the value of the property Otherwise, substitute publication may be availed of, by posting copies of the ITB in conspicuous public places in the area where the property is located or where the bidding will be conducted Copies of the ITB may also be sent by mail or personal delivery to prospective bidders ', Part III Guidelines/Procedures in the Sale of Property, A(3), ibid

[35] "Ibid, "Schedule of Bidding Bidding shall be scheduled on a date not less than seven (7) working days from date of issuance/publication/posting of the ITB ", Part III Guidelines/Procedures in the Sale of Property A(4). ibid

[36] Ibid; "G Opening of Bids. All bids shall be opened at the time, date and place set in the invitation to bid under the direction of the Disposal Committee and in the presence of the COA Auditor Bidders or their duly authorized representatives may witness the proceedings. The bid tender shall be signed by the members of the Disposal Committee immediately after it is opened and announced in order to confirm compliance with the requirements of the bidding. The bid tenders are filed for safekeeping by the Secretariat of the Disposal Committee", ibid; "6.10. Management shall furnish the Auditor with a copy of the schedule or notice of opening of bids and condemnation/destruction of government property and other disposable assets, as the case may be, at least five (5) days before the scheduled time.", COA Circular No. 95-006, "Total lifting of pre-audit on all financial transactions of the National Government agencies, government-owned and/or controlled corporations and local government agencies", 18 May 1995, and "3.3.1 Upon receipt of the notice or schedule of the opening of bids, condemnation/destruction of unserviceable and other disposable government assets/property, and x xx, the Unit Head or his authorized representative may attend the same as observer His observations shall be input in the

post-audit of the transactions involved." In "3.3.2 In the case of opening of bids, whether in public bidding or public auction, the Unit Head or his authorized representative need not sign the abstract or bids nor authenticate the bids and their supporting documents.", COA Memorandum 95-088, "Guidelines in Performing the Pre-Audit Activities which were Lifted under COA Circular No 95-006, dated May 18, 1995", 3 July 1995; and "Pre-audit activities shall henceforth be the responsibility of the agencies concerned as part of their accounting and fiscal control processes", COA Circular No. 2011-002, "Lifting of Pre-Audit of Government Transactions", 22 July 2011

[37] "Section 79 Destruction or sale of unserviceable property - x xx If found to be valuable it may be sold at public auction to the highest bidder under the supervision of the proper committee on award or similar body in the presence of the auditor concerned or other duly authorized representative of the Commission, after advertising by printed notice in the Official Gazette, or for not less than three consecutive days in any newspaper of general circulation, or where the value of the property does not warrant the expense of publication, by notices posted for a like period in at least three public places in the locality where the property may be sold In the event that the public auction fails, the property may be sold at a private sale at such price as may be fixed by the same committee or body concerned and approved by the Commission". P.D 1445, "Government Auditing Code of the Philippines". 11 June 1978, "The guidelines/procedures in the sale of property is contained in Part III of the DBM Manual on Disposal of Government Property", COA-PTTAF, Manual on Disposal, March 1997. "J. Negotiated Sale. In case the second public bidding fails, the property may be sold at a private or negotiated sale Negotiation within one (1) month from the date of the second failed bidding shall be done with the bidders of the first and/or second failed bidding and Other prospective bidders (such as those who obtained bid forms but did not submit bid tenders) at a price not lower than 80% of the appraised value. If negotiation is done after one (1) month, participants in the negotiation shall be expanded to include other potential buyers aside from those abovementioned If negotiation shall take place after six (6) months from date of second failed bidding, the property should be reappraised and sold at not lower than 90% of reappraised value Bid bonds shall be required from all participants in the negotiation", National Budget Circular No. 425, "Manual on Disposal of Government Property", Part III Guidelines/Procedures in the Sale of Property, 28 January 1992; and "3.4. Approval of Negotiated Sale of Unserviceable Property and Other Assets of the Audited Agency, 3.4.1 The negotiated sale of unserviceable government property and other assets pursuant to existing laws and regulations, notably Section 79 of PD 1445 and Section 380, Title 6, Book II, of Republic Act No 7160, shall no longer require the prior approval of this Commission or its representative in the audited agency. The legality and propriety of the transaction, including the reasonableness of the selling price, shall be passed upon by the auditing unit in post-audit in accordance with existing auditing regulations In this regard, the Unit Head may seek the assistance of the Technical Services Office in determining the reasonableness of the negotiated selling price if the amount involved exceeds P2 million in each case, COA Memorandum No 95-088, "Guidelines in Performing the Pre-Audit Activities which were Lifted under COA Circular No. 95-006, dated May 18, 1995", 3 July 1995; and "Pre-audit activities shall henceforth be the responsibility of the agencies concerned as part of their accounting and fiscal control processes", COA Circular No 2011-002, "Lifting of Pre-Audit of Government Transactions", 22 July 2011.

[38] "9 0. Adjustment of Appraised Value When Auction Bids are Low", COA Memorandum No 98-569-A, "Revised Guidelines on Appraisal of Property other than Real Estate, Antique Property and Works of Art", 5 August 1998

[39] "Section 79. Destruction or sale of unserviceable property - x xx If found to be valuable it may be sold at public auction to the highest bidder under the supervision of the proper committee on award or similar body in the presence of the auditor concerned or other duly authorized representative of the Commission, after advertising by printed notice in the Official Gazette, or for not less than three consecutive days in any newspaper of general

circulation, or where the value of the property does not warrant the expense of publication, by notices posted for a like period in at least three public places in the locality where the property may be sold. In the event that the public auction fails, the property may be sold at a private sale at such price as may be fixed by the same committee or body concerned and approved by the Commission", PD. 1445, "Government Auditing Code of the Philippines", 11 June 1978, and "5.0 ENUMERATION OF PRE-AUDIT ACTIVITIES LIFTED, x x x 5.01.14 Witnessing of condemnation/destruction, and approval of negotiated price, of unserviceable government property and other disposable assets of the audited agencies", COA Circular No 95-006, "Total lifting of pre-audit on all financial transactions of the National Government agencies, government-owned and/or controlled corporations and local government units", 18 May 1995; and "Pre-audit activities shall henceforth be the responsibility of the agencies concerned as part of their accounting and fiscal control processes", COA Circular No 2011-002, "Lifting of Pre-Audit of Government Transactions", 22 July 2011.

[40] "The guidelines/procedures in the sale of property is contained in Part III of the DBM Manual on Disposal of Government Property", page 18, COA-PTTAF, Manual on Disposal, March 1997, "H. The Abstract of Bids. An Abstracts of Bids in triplicate shall be prepared during the bidding proper showing the name of the owning agency, the date, time and place of bidding, names of bidders with their corresponding amount of bid tenders and bid bonds per item/lot, including reason for disqualification where applicable. The Abstract of Bids shall be signed by the members of the Disposal Committee. The purpose of the Abstract of Bids is to show in matrix-summary form the individual bidders, their bids and bid bonds per item/lot and the confirmation of the Disposal Committee. Each member of the Committee shall be provided with a copy of the Abstract of Bids ", Part III, Guidelines/Procedures in the Sale of Property. National Budget Circular No. 425. "Manual on Disposal of Government Property", 28 January 1992.

[41] "Sec. 3 Duties of the Disposal Committee. x x x. (4) Conduct public bidding for the sale of the disposable property on an "AS IS," "WHERE IS" basis and to recommend corresponding award", Executive Order No 888, "Authorizing Ministers and Heads of Ministries/Agencies to Dispose of, Their Respective Unserviceable Equipment and Disposal Property", 18 March 1983; "Section 79. Destruction or sale of unserviceable property. - x x x. I found to be valuable it may be sold at public auction to the highest bidder under the supervision of the proper committee on award or similar body in the presence of the auditor concerned or other duly authorized representative of the Commission, after advertising by printed notice in the Official Gazette, or for not less than three consecutive days in any newspaper of general circulation, or where the value of the property does not warrant the expense of publication, by notices posted for a like period in at least three public places in the locality where the property may be sold. In the event that the public auction fails, the property may be sold at a private sale at such price as may be fixed by the same committee or body concerned and approved by the Commission.", P.D. 1445, "Government Auditing Code of the Philippines", 11 June 1978; "3.4. Approval of Negotiated Sale of Unserviceable Property and Other Assets of the Audited Agency, 3.4.1 The negotiated sale of unserviceable government property and other assets pursuant to existing laws and regulations, notably Section 79 of PD 1445 and Section 380, Title 6, Book II, of Republic Act No. 7160, shall no longer require the prior approval of this Commission or its representative in the audited agency. The legality and propriety of the transaction, including the reasonableness of the selling price, shall be passed upon by the auditing unit in post-audit in accordance with existing auditing regulations. In this regard, the Unit Head may seek the assistance of the Technical Services Office in determining the reasonableness of the negotiated selling price if the amount involved exceeds P2 million in each case, COA Memorandum No. 95-088, "Guidelines in Performing the Pre-Audit Activities which were Lifted under COA Circular No. 95-006, dated May 18, 1995", 3 July 1995; and "Pre-audit activities shall henceforth be the responsibility of the agencies concerned as part of their accounting and fiscal control processes", COA Circular No 2011 -002, "Lifting of Pre-Audit of Government Transactions", 22 July 2011.

[42] Supra to note 41

[43] "The guidelines/procedures in the sale of property is contained in Part III of the DBM Manual on Disposal of Government Property", page 18, COA-PTTAF, Manual on Disposal, March 1997; and "L Payment. 1. Upon determination of the awardee, the bid bond shall be considered as partial payment and the difference between such payment and the offered bid price shall be paid in the form of cash, cashier's check or manager's check of a reputable bank within the area where the bidding was held Full payment shall be made within five (5) working days from the date of the notice of award. 2. In case of failure of full payment within the prescribed period, the awardee may be penalized through cancellation of the award and forfeiture of the bid bond in favor of the government " X x x, O. Taxes, Customs Duties or Charges. The buyer of disposable property shall pay, in addition to the purchase price, any taxes, customs duties, costs or charges of any kind or nature whatsoever levied, or to be levied in connection with the sale of property. All expenses incidental to the withdrawal of the property shall be borne by the awardee", Part III Guidelines/Procedures in the Sale of Property, National Budget Circular No 425, "Manual on Disposal of Government Property", 28 January 1992

[44] Ibid; and "M Claiming of Award X x x I Claims shall be made only by the awardee, after the bid price is fully paid as evidenced by an official receipt. It shall be effected in the presence of the reporting accountable officer or his duly authorized representative and witnessed by the Disposal Committee X x x 4. Claims shall be made within the period fixed by the Disposal Committee but not more than 30 days after awarding Failure on the part of the highest complying bidder/winning bidder/awardee to claim the property within the stipulated period, shall have the effect of cancellation of the award/contract. The awardee shall then be charged storage fees and other incidental fees/costs or damages, i.e , costs incurred in the conduct of another public bidding or negotiation. If the property remains unclaimed over a prolonged period of time, ownership of the contracted/awarded property shall automatically revert to the government. The government shall then have the right to dispose the property through whatever manner the Disposal Committee deems most advantageous to the government ", Part III Guidelines/Procedures in the Sale of Property, ibid

[45] "The guidelines/procedures in the sale of property is contained in Part III of the DBM Manual on Disposal of Government Property", page 18, COA-PTTAF, Manual on Disposal, March 1997, and "The property officer of the owning agency shall accomplish a tally-out sheet as evidence of actual delivery The tally-out sheet shall be signed by authorized agency official and the buyer acknowledging receipt of items ", Part III, Guidelines/Procedures in the Sale of Property, M.2, National Budget Circular No. 425, "Manual on Disposal of Government Property", 28 January 1992

[46] "Section 76. Transfer of property between government agencies - Any government property that is no longer serviceable or needed by the agency to which it belongs may be transferred without cost, or at an appraised value, to other agencies of the government upon authority of the respective heads of agencies in the national government, or of the governing bodies of government-owned or controlled Corporations, other self-governing boards or commissions of the government; or of the local legislative bodies for local government units concerned, P.D, 1445, "Government Auditing Code of the Philippines", 11 June 1978

[47] "The guidelines/procedures in the sale of property is contained in Part III of the DBM Manual on Disposal of Government Property", page 18, COA-PTTAF, Manual on Disposal, March 1997; and "Transfer of Property "x x x In effecting transfer of property, the Invoice Receipt for Property (IRP) or General Form No 30-A) must be prepared by the owning agency and transmitted together with the property to the recipient or requesting agency". Part II, Disposal Activities and Processes. G(2), National Budget Circular No 425, "Manual on Disposal of Government Property", 28 January 1992, and "Sec. 449 Invoice Receipt for Property - The Invoice Receipt for Property (Appendix 32) shall be prepared when funds or properties are transferred from one accountable officer to

another, or from an outgoing officer to his successor. This form shall invariably support the clearance to be issued to the relieved or outgoing officer" COA Circular No 91-368. Instituting a Government Accounting and Auditing Manual and prescribing its use". Volume II. 19 December 1991

[48] "The guidelines/procedures in the sale of property is contained in Part III of the DBM Manual on Disposal of Government Property", page 18. COA-PTTAF. Manual on Disposal, March 1997, "Barter, x x x. In effecting barter of property, the Invoice Receipt for Property (IRP) or General Form No 30-A) shall be prepared by each party and transmitted together with the property to the recipient or requesting agency". Pan II, Disposal Activities and Processes, G(3), National Budget Circular No 425. "Manual on Disposal of Government Property", 28 January 1992

[49] "5.0 Enumeration of Pre-Audit Activities Lifted, x x x, 5.01.14 Witnessing of condemnation/destruction, and approval of negotiated price, of unserviceable government property and other disposal assets of the Audited agencies" Under "6.0 Duties and Responsibilities of Agency Officials x x x, 6.10 Management shall furnish the Auditor with a copy of the schedule or notice of opening of bids and condemnation/destruction of government property and other disposable assets, as the case may be, at least five (5) days before the scheduled time". COA Circular No 95-006. "Total lifting of pre-audit on all financial owned and/or controlled corporations and local government agencies . 18 May 1995; and "3.3.1 Upon receipt of the notice or schedule of the opening of bids, condemnation/destruction of unserviceable and other disposable government assets/property, and x xx, the Unit Head or his authorized representative may attend the same as observer. His observations shall be input in the post-audit of the transactions involved." In 3.3.2. it provides that "[i]n the case of opening of bids, whether in public bidding or public auction, the Unit Head or his authorized representative need not sign the abstract of bids nor authenticate the bids and their supporting documents.", COA Memorandum No. 95-088, "Guidelines in Performing the Pre-Audit Activities which were Lifted under COA Circular No 95-006. dated 18 May, 1995", 3 July 1995; and "Pre-audit activities shall henceforth be the responsibility of the agencies concerned as part of their accounting and fiscal control processes", COA Circular No 2011-002, Lifting of Pre-Audit of Government Transactions". 22 July 2011

See MEMORANDUM ORDER NO. 34 : "FLOW CHART" and "DISPOSAL OF UNSERVICABLE PROPERTY (DUP)" : A. Supply and Property Unit, Administrative Service : 108 OG No. 15, 1599 (April 9, 2012)

See MEMORANDUM ORDER NO. 34 "FLOW CHART" and "DISPOSAL OF UNSERVICABLE PROPERTY (DUP)" : B. Administrative Service : 108 OG No. 15, 1600 (April 9, 2012)

See MEMORANDUM ORDER NO. 34 "FLOW CHART" and "DISPOSAL OF UNSERVICABLE PROPERTY (DUP)" : C. Financial and Management Service : 108 OG No. 15, 1601 (April 9, 2012)

See MEMORANDUM ORDER NO. 34 "FLOW CHART" and "DISPOSAL OF UNSERVICABLE PROPERTY (DUP)" : D. Accounting Unit, Financial and Management Service : 108 OG No. 15, 1602 (April 9, 2012)

See MEMORANDUM ORDER NO. 34 "FLOW CHART" and "DISPOSAL OF UNSERVICABLE PROPERTY (DUP)" : E. Financial and Management Service : 108 OG No. 15, 1603 (April 9, 2012)

See MEMORANDUM ORDER NO. 34 "FLOW CHART" and "DISPOSAL OF UNSERVICABLE PROPERTY (DUP)" : F. Administrative Service : 108 OG No. 15, 1604 (April 9, 2012)

See MEMORANDUM ORDER NO. 34 : "FLOW CHART" and "DISPOSAL OF UNSERVICABLE PROPERTY (DUP)" : G. Supply and Property Unit, Administrative Service : 108 OG No. 15, 1605 (April 9, 2012)

See MEMORANDUM ORDER NO. 34 "FLOW CHART" and "DISPOSAL OF UNSERVICABLE PROPERTY (DUP)" : H. Administrative Service : 108 OG No. 15, 1606 (April 9, 2012)

See MEMORANDUM ORDER NO. 34 "FLOW CHART" and "DISPOSAL OF UNSERVICABLE PROPERTY (DUP)" : I. Disposal Committee : 108 OG No. 15, 1607-1609 (April 9, 2012)

See MEMORANDUM ORDER NO. 34 "FLOW CHART" and "DISPOSAL OF UNSERVICABLE PROPERTY (DUP)" : J. Office of the Head of the Agency : 108 OG No. 15, 1610 (April 9, 2012)

See MEMORANDUM ORDER NO. 34 "FLOW CHART" and "DISPOSAL OF UNSERVICABLE PROPERTY (DUP)" : K. Office of the Head of the Agency : 108 OG No. 15, 1611 (April 9, 2012)

See MEMORANDUM ORDER NO. 34 "FLOW CHART" and "DISPOSAL OF UNSERVICABLE PROPERTY (DUP)" : L. Disposal Committee : 108 OG No. 15, 1612 (April 9, 2012)

See MEMORANDUM ORDER NO. 34 "FLOW CHART" and "DISPOSAL OF UNSERVICABLE PROPERTY (DUP)" : L.1 Disposal Committee : 108 OG No. 15, 1613-1614 (April 9, 2012)

See MEMORANDUM ORDER NO. 34 "FLOW CHART" and "DISPOSAL OF UNSERVICABLE PROPERTY (DUP)" : L.1.2 Office of the Head of the Agency : 108 OG No. 15, 1615-1616 (April 9, 2012)

See MEMORANDUM ORDER NO. 34 "FLOW CHART" and "DISPOSAL OF UNSERVICABLE PROPERTY (DUP)" : L.1.2 Disposal Committee : 108 OG No. 15, 1616 (April 9, 2012)

See MEMORANDUM ORDER NO. 34 "FLOW CHART" and "DISPOSAL OF UNSERVICABLE PROPERTY (DUP)" : L.1.3 Disposal Committee : 108 OG No. 15, 1617 (April 9, 2012)

See MEMORANDUM ORDER NO. 34 "FLOW CHART" and "DISPOSAL OF UNSERVICABLE PROPERTY (DUP)" : L.2 Disposal Committee : 108 OG No. 15, 1618 (April 9, 2012)

See MEMORANDUM ORDER NO. 34 "FLOW CHART" and "DISPOSAL OF UNSERVICABLE PROPERTY (DUP)" : L.3 Disposal Committee : 108 OG No. 15, 1619 (April 9, 2012)

See MEMORANDUM ORDER NO. 34 "FLOW CHART" and "DISPOSAL OF UNSERVICABLE PROPERTY (DUP)" : L.4 Disposal Committee : 108 OG No. 15, 1620 (April 9, 2012)

See MEMORANDUM ORDER NO. 34 "FLOW CHART" and "DISPOSAL OF UNSERVICABLE PROPERTY (DUP)" : L.5 Disposal Committee : 108 OG No. 15, 1621 (April 9, 2012)

See MEMORANDUM ORDER NO. 34 "FLOW CHART" and "DISPOSAL OF UNSERVICABLE PROPERTY (DUP)" : M. Disposal Committee (After Actual Disposal of the Property): 108 OG No. 15, 1622(April 9, 2012)

See MEMORANDUM ORDER NO. 34 ANNEX "F" : NOTICE OF ORGANIZATION, STAFFING AND COMPENSATION ACTION (NOSCA) : 108 OG No. 15, 1623 (April 9, 2012)

See MEMORANDUM ORDER NO. 34 ANNEX "G" : Republic of the Philippines DBM-CSC Form No. 1 (POSITION DESCRIPTION FORM): 108 OG No. 15, 1624-1625 (April 9, 2012)

INSTRUCTIONS FOR ACCOMPLISHING THE POSITION DESCRIPTION FORM

The following instructions show how the Position Description Form (PDF) should be filed and how the supervisor should review it.

THE ADMINISTRATIVE OFFICER

The Administrative Officer or equivalent officer of the department, corporation, agency, or local government unit in charge of human resource management functions in which the position is located should fill in Items 1 to 12, except Item 11.

Item 1. Name of Employee - Write the name of the employee presently occupying the position. Write the word "vacant" if the position is vacant at the time this form is accomplished.

Item 2. Department, Corporation or Agency/ Local Government - Write down the exact name of the Office. Avoid using abbreviations. (Write "Department of Justice" instead of "DOJ" if a department, "Social Security System" instead of "SSS" if a corporation, and "Rizal Provincial Government" instead of "Rizal" if a local government unit.)

Item 3. Bureau or Office - Write down the major subdivision of the agency to which the position belongs and is directly under, such as "Bureau of Immigration" or "Financial and Management Service" if in the department proper.

Item 4. Department/Branch/Division - Write down the immediate subdivision of the office indicated in Item 3 where the position is deployed, such as "Administrative Services Department," "Personnel Branch," or "Management Division."

Item 5. Work Station/Place of Work - Indicate the geographic location of the position, such as Manila, Bataan, Davao, etc.

Item 6a and 6b. Appropriations Act/Board Resolution - Write down the present and previous appropriations act, board resolution or ordinance number and the item number of the position in said appropriations act, board resolution or ordinance.

Item 7a and 7b. Salary and Other Compensation - Write down the salary of the position as authorized in the appropriations act, board resolution or ordinance and the actual salary of the employee occupying the position. If the position is vacant at the time this form is being accomplished, indicate N.A. for not applicable opposite actual salary. Write down the other regular compensation for the position.

Item 8. Official Designation of Position -Write down the class title of the position as authorized in the appropriations act, board resolution or ordinance.

Item 9. Working or Proposed Title - Write down the class title of the position as requested.

Item 10. DBM Classification of the Position - Write down the classification of the position as certified to the agency by the DBM. Leave blank if the position is new and not yet classified.

Item 11. Occupational Group Title - Leave this blank. DBM will indicate the occupational group title after the position is authorized.

Item 12. For local government positions, check the appropriate local government unit and income class of the unit where the position is authorized.

THE EMPLOYEE

Writing the statements of duties and responsibilities (position description) is the responsibility of the employee holding the positions as well as his/her supervisor so as to insure the adequacy, validity and correctness of the statements made therein. Any duly accomplished PDF submitted, signed and endorsed becomes an official record

and a public document. Therefore, care should be taken in accomplishing the PDF. The employee who presently occupies the position should write the description of the duties and responsibilities of the position as performed and understood by him/her. In case the position is vacant, the immediate supervisor of the position shall accomplish the PDF for the position.

Below are pointers in writing position descriptions:

A. Do not attempt to write down in a single sitting all the duties and responsibilities of the position. Take time and give them a little thought. Note down on a sheet of paper the duties and responsibilities as recalled. Examine the relationship of the position with the other positions in the organization. This will help in visualizing the tasks performed by the positions in the overall organizational pattern.

B. After all the duties and responsibilities of the position have been written, rearrange them in descending order from the most important to least important, indicating the percent of working time spent on each of the duties and responsibilities.

C. Simple, clear and short statements should be used in discussing the duties and responsibilities. Such statements, therefore, should indicate the what-it-is, the why or purpose, and the how-it-is accomplished. Samples of the work which cannot be adequately described should be attached to the PDF such as reports made, forms accomplished, designs and drawing made etc.

D. Avoid using vague terms such as "maintains," "checks," "helps" and "prepares." Explains in detail how the position "maintains" mechanical equipment and/or records; "checks" plans and/or reports; "helps" carpenters or engineers; "prepares" reports and/or layouts. For example, a statistician may "prepare" statistical reports, and so does a typist.

E. Finally, copy what were written on the sheet of paper to the PDF under Item 13 (Statements of Duties and Responsibilities). It is suggested that before doing so, a final review of the statements be made by asking the following questions:

Have all the duties and responsibilities pertinent to the position been written down?

Are the duties and responsibilities statements written in the most concise and specific terms possible and outlining the what, why and how?

Can the position description be used as an instruction sheet for a new employee of the position?

Item 13. Statements of Duties and Responsibilities. This is the most important part of the form. Write down in detail what are actually done by the position. The "Percent of Working Time" in the left-hand column should indicate the percentage of working time consumed in performing each statement of duties and responsibilities. List the duties and responsibilities in the order of their importance with the most important duty and responsibility first, the second most important duty second and so on. State fully whether instructions are received in detail or in a general way (work is reviewed closely or from time to time only.) Describe also the degree of supervision received and given to subordinates, if a supervisor.) "Degree of Supervision Received" means the amount and type of instructions and guidance usually received from the immediate supervisor, including the rules and regulations, office practices and procedures and the extent the supervisor controls the performance of the subordinate's work.

Item 14. Position Title of Immediate Supervisor - Write down the authorized position or class title of the first or immediate supervisor. "Immediate supervisor" refers to the supervisor nearest in level to the position supervised. For example, in a division consisting of seven (7) positions, inclusive of one (1) Information Officer V as chief of

division and one (1) Information Officer IV as assistant chief of division, the immediate supervisor is the latter and not the former.

Item 15. Position Title of Next Higher Supervisor - Write down the authorized position or class title to the next higher supervisor. In the example given in Item 14, this would be the chief of division, the Information Officer V.

Item 16. Names Titles, and Item Numbers of Employees Supervised Directly - One supervises employees when one gives work assignments or instructions to them and reviews their work. Write down the names, item numbers; and positions or class titles of the employees supervised.

Item 17. Machines, Equipment and Tools Used - Write down the machines, equipment or tools used regularly such as typewriter, mechanic's tools or calculator or those operated regularly such as a water pump, diesel generator or computer.

Item 18. Contacts - Check the appropriate box to described the approximate frequency of the contacts required of the position in connection with its work.

Item 19. Working Condition - Check the appropriate box that describes the working condition of the position.

Item 20. Certification by the Employee for Accomplishing the Form - Indicate the date the form was fully filled-up. The incumbent of the position signs his/her name. Leave this item blank if the position is vacant.

THE SUPERVISOR

The first or immediate supervisor should review the accuracy of the statements from Item 13 to 20. He may add to or explain any of the employee's statements that may be inaccurate or incomplete. He/She should also fill in Items 21 to 24.

Item 21. Brief Description of the General Function of the Unit or Section - Write a brief description of the function of the unit where the position is deployed.

Item 22. Brief Description of the General Function of the Position - Write a brief description of the function of the position. Any exception to any statement of duties and responsibilities described by the employee under Item 13 of this form may be indicated.

Item 23a. Minimum Qualification Required -The supervisor indicates the suggested minimum number of years of training and experience which will have to be considered of an applicant in filling a vacancy for this position. It is important that the qualifications of the present incumbent of the position should not be considered. Other skills, knowledges and abilities preferably required of an incumbent of this position should also be indicated. The filling of this item is important especially if the position under consideration is new or proposed.

Item 23b. Licenses or Certificates of Proficiency. Indicates licenses or certificates required of an incumbent of this position. If no license or certificate is required, write down "None."

Item 24. Certification of Immediate Supervisor - After reading the statements carefully and giving comments on the adequacy, validity and correctness of the facts stated, the immediate supervisor certifies to the completeness and accuracy of the statements/data in the PDF by signing his/her name and indicating "the date of certification.

THE AGENCY HEAD

Item 25. Approved - The agency head signs his/her name on the space provided to indicate his/her approval of the statements/ data in the PDF.

See MEMORANDUM ORDER NO. 34 ANNEX "H" : Appendix C -Qualification Standards and Functions of the Head and Staff of the IAS/IAU : 108 OG No. 15, 1629-1633 (April 9, 2012)

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