



697-13 DPWH
02-06-2006

REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS
OFFICE OF THE SECRETARY
MANILA

FEB 02 2006

DEPARTMENT ORDER)
No. 07)
Series of 2006)
02-03-06)

SUBJECT : GUIDELINES IN THE PURCHASE, USE AND
TRANSFER/TURN-OVER OF NON-EXPENDABLE
PROPERTIES FOR THE IMPLEMENTATION OF
LOCAL AND FOREIGN-ASSISTED PROJECTS

In order to attain effective utilization, handling and safekeeping of government properties, including among others, to stress the importance of property custodianship, accountability, responsibility and liability of accountable officers of the Department, in consonance with the provision of the New Government Accounting System (NGAS), the following guidelines are hereby prescribed, as follows;

1. PURCHASE OF INFORMATION TECHNOLOGY (IT) SOFTWARE/HARDWARE AND OTHER NON-EXPENDABLE ITEMS FOR THE PROJECT

1.1 The Implementing Office shall coordinate the items specifications/requirements with the concerned Offices of the Department.

1.1.1 Monitoring and Information Service (MIS) - IT software/hardware specifications/requirements;

1.1.2 Bureau of Research and Standards (BRS) - Laboratory Testing Apparatus specifications/requirements;

1.1.3 Bureau of Design (BOD) - Survey Instruments specifications/requirements.

2. DOCUMENTATION OF NON-EXPENDABLE ITEMS PURCHASED/PROVIDED FOR THE PROJECT

2.1 All properties and equipment purchased for the project shall be properly recorded.

2.2 The Project Consultant and the DPWH Project/Resident Engineer shall maintain at site Acknowledgement Receipt of Equipment (ARE) of all Non-Expendable Properties purchased/billed/used for the project that are issued to authorized Accountable Officers (Project Manager/Team Leader/Project Engineer/Resident Engineer/ DPWH Accountable Officials) to include supplied service vehicles, if any, and also to maintain the corresponding updated Inventory of properties.

3. COMPOSITION OF THE JOINT INVENTORY TEAM (JIT)

3.1 The inventory of the office/laboratory/quarters furniture, fixtures, equipment and other properties shall be conducted by the Joint Inventory Teams (JIT) to be composed of one (1) representative only from each of the following, in consonance with the provisions of Administrative Order No. 103 dated August 31, 2004:

- 3.1.1 Implementing Office;
- 3.1.2 Supply and Property Management Division, AMMS (SPMD-AMMS);
- 3.1.3 DPWH Region/District/Sub-District Office - Administrative Unit for office/equipment/properties, including office/laboratory/living quarters buildings.
- 3.1.4 DPWH Region/District/Sub-District Office - Materials and Hydrology Division/Section for Laboratory Equipment, if any.

4. PRELIMINARY INVENTORY AND FINAL INVENTORY OF NON-EXPENDABLE ITEMS

4.1 **Preliminary Inventory** - The Head of Implementing Office (IO) for PMO projects and the Chief of Office or Project Engineer for Region or District/Sub-District projects shall immediately notify the JIT offices that the Contractor's contract reached thirty percent (30%) physical accomplishment and the Contractor/Consultant supplied non-expendable items for the project, is due for inventory.

4.1.1 The IO prior to the inventory shall provide the JIT a copy of the contract Bill of Quantities, Inventory list and ARE of non-expendable items issued/assigned to IO project accountable officials.

4.1.2 The JIT shall submit Report on Physical Count of Property, Plant and Equipment (Appendix 63 RPCPPE-NGAS) to the Head of Implementing Office marked with interim property number for his information and approval.

4.1.3 The DPWH Project/Resident Engineer maintain at site an updated periodic RPCPPE approved by the Head of Implementing Office with the corresponding ARE.

4.2 **Final Inventory** – after the completion of the project, the IO, the JIT shall validate the final inventory report submitted by PMO, indicating the condition (e.g. serviceable, non-serviceable, for repair, to include consumables, if any, and etc.) of all properties and equipment purchased and/or used for the project to ensure the smooth turned-over.

4.2.1 The implementing office shall provide the JIT the updated Bill of Quantities, Inventory and accomplished Acknowledgement Receipt for Equipment (ARE) if any, prior to the final inspection.

4.2.2 The JIT shall make corrections or remarks on the signed ARE and IRP with the listed item/s and its corresponding cost, property number and actual condition, if any. These AREs shall replace/update or cancel the interim ARE issued during the construction.

5. TRANSFER/TURN-OVER OF PROPERTIES

- 5.1 The project upon reaching 80% physical accomplishment or at least two (2) months before the completion date, the IO in coordination with the concerned DPWH Regional/District/Sub-District Offices shall identify the recipient of the particular properties and equipment due for turn-over.
- 5.2 After the completion of the project, all movable properties and equipment not needed by the DPWH IO/Regional/District/Sub-District Offices shall be transferred/turned over to the nearest DPWH Regional/District/Sub-District Offices for safekeeping/proper disposition.
- 5.3 Other DPWH offices needing any of the office/quarter or laboratory furnishing/equipment shall submit request to the implementing office which, in coordination with the SPMD-AMMS, shall evaluate the request and recommend proper disposition thereon to the Secretary/Undersecretary for Administration for approval.
- 5.4 The IO shall provide accomplished Acknowledgement Receipt for Equipment (ARE) and Invoice Receipt of Property (IRP) for signature of the recipient Regional Director/District/ Sub-District Engineer.
- 5.5 The original copies of duly accomplished ARE and IRP shall be retained/submitted to SPMD-AMMS/SPU Regional Office, and duplicate clear copies to the recipient or user of the property, Assets and Supplies Management Control Division (ASCMD), CFMS and the implementing office.
- 5.6 The Inventory Report, ARE and IRP shall evidence the transfer/turn-over of the properties and equipment for issuance of Property Clearance Certificate by SPMD-AMMS for PMO projects and the Supply and Property Section/Unit for projects implemented by Regional/District/Sub-District Office.
- 5.7 The Property Clearance Certificate is a requirement to be complied with to support the final payment of the contractor/consultant's final payment.

This order shall take effect immediately and shall amend/revoke previous orders and issuances inconsistent herewith.


HERMOGENES E. EDPANE, JR.
Acting Secretary



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REPORT ON THE PHYSICAL COUNT OF PROPERTY PLANT AND EQUIPMENT

(Type of Property, Plant and Equipment)

As of _____

For which _____ is accountable, having assumed such accountability on _____
(Name of Accountable Officer) (Official Designation) (Agency/Office) (Date of Assumption)

ARTICLE	DESCRIPTION	PROPERTY NUMBER	UNIT OF MEASURE	UNIT VALUE	BALANCE PER CARD (Quantity)	ON HAND PER COUNT (Quantity)	SHORTAGE/OVERAGE		REMARKS
							Quantity	Value	

Appendix 63

Attachment to D.O. 07 S.2006