REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF FINANCE
BUREAU OF INTERNAL REVENUE
Quezon City

May 10, 2016

REVENUE MEMORANDUM ORDER NO. 20-2016

TO : All Revenue Officials and Employees

SUBJECT : Updated Guidelines and Procedures in Maintaining the Records of Accountabilities of Revenue Officers and Employees on Issued, Transferred and Returned Furniture, Equipment, Vehicle and Other Semi- Expendable Properties.

I. OBJECTIVES

This Order is being issued for the following objectives:

1. To prepare a comprehensive accounting of all furniture, fixtures, equipment, vehicles, and other properties in all Internal Revenue Offices;

2. To reconcile accounting records of properties with the actual items in the accountability of the revenue officials and employees concerned;

3. To update record of all property accountabilities of each revenue official and employee, and to facilitate the approval and release of National Office and/ or Regional Office Clearances; and

4. To prepare the groundwork for a proposed internal computerized Information System on property accountability.

II. DEFINITION OF TERMS

For purposes of this Order, the following terms are hereby defined:

1. *Accountable Property*- the property issued to Revenue Officials and Employees for official use.

2. *Accountable Official/ Employee*- any official or employee to whom the property has been entrusted for official use and who shall be liable for the money value of such equipment, furniture, or semi- expendable property in case of loss or improper use. (GAAM- Sec. 494, Vol. I)

3. *Requisition and Issue Slip (RIS)* - the official form used to request supplies/goods/equipment/property carried in stock and by the Supply and/or Property Division/Unit to issue the items requested. (*Appendix 63, GAM Vol. II)*

4. *Property Acknowledgment Receipt (PAR)* - the official form used to record the issue of PPE to end-user, in lieu of the Memorandum Receipt (MR) and Acknowledgment Receipt of Equipment (ARE). (*Appendix 71, GAM Vol. II*).

5. *Property Transfer Report (PTR)* - the official form prepared for the transfer of property from one Accountable Officer/Agency/Fund Cluster to another Accountable Officer/Agency/Fund Cluster, in lieu of the Invoice Receipt of Property (IRP). (*Appendix 76, GAM Vol. II*)

6. *Property Division (PropD)* – Division in the National Office responsible for maintaining records of issued equipment, semi- expendable properties on the basis of PAR/ICS and returned serviceable properties based on acknowledgment receipt as well as the monitoring of accountabilities over the properties and the processing of clearances of revenue personnel of their property accountabilities.

7. *Warehousing and Distribution Section (WDS)* – Section under PropD responsible for the issuance of PAR/ICS on equipment and semi-expendable properties for documentation and control purposes as well as acknowledgment receipt for returned serviceable properties for the transfer of accountability.

8. *Property Monitoring and Control Section (PMCS)* – Section under PropD responsible for maintaining records of issued equipment and semi- expendable properties on the basis of PAR/ICS and returned serviceable properties based on acknowledgement receipt and the monitoring of accountabilities over these properties as well as the processing of clearances of property accountabilities of revenue personnel.

9. *Administrative and Human Resource Management Division (AHRMD)* - Division in the regional office responsible for maintaining records of issued equipment, semi- expendable properties on the basis of PAR/ICS and returned serviceable properties based on acknowledgment receipt as well as the monitoring of accountabilities over the properties and the processing of clearances of revenue personnel of their property accountabilities.

10. *Administrative Unit (AdminU)* – Unit in the revenue district office responsible for maintaining records of issued equipment, semi-expendable properties on the basis of PAR/ICS and returned serviceable properties based on acknowledgment receipt as well as the monitoring of accountabilities over the properties and the processing of clearances of revenue district personnel of their property accountabilities.

11. *Transit Invoice (BIR No. 3007)* – the official form used to document the issuance of equipment and semi- expendable properties through delivery/ shipment by official forwarder.

12. *Inventory Custodian Slip (ICS)* – the official form used to issue tangible items amounting to less than ₱15,000.00 to end-user to establish accountability over them. *(Appendix 59, GAM Vol. II)*

13. *Receipt of Returned Items (RRI)* – the form issued to resigning/retiring/transferring revenue official/employee for returned serviceable or unserviceable equipment and semi-expendable properties to the PropD/AHRMD.

14. *Turnover of Property Accountabilities (TPA)* – the form used to document turnover of accountable properties by a resigning/retiring/transferring accountable official/employee to another BIR official/ employee. *(Annex "A")*

15. *Return of Property Accountabilities (RPA)* - the form used to document return of accountable properties by a resigning/retiring/transferring accountable official/employee to the PropD/AHRMD. *(Annex "B')*

III. GENERAL GUIDELINES

In order to achieve the above objectives, the following guidelines shall be observed:

1. Only heads of offices shall have the sole authority to requisition items of furniture, equipment, and semi- expendable properties through a duly accomplished RIS.

2. All accountable properties should be numbered before issuance to accountable officials/employees. Said assigned numbers should always be reflected in the PAR, PTR and Inventory of Accountable Properties. In case of accountable properties with no property number or whose number had been erased, the office concerned shall check or verify with the corresponding PAR/ PTR kept on their files. The correct property number shall be affixed on the property.

3. The PropD/AHRMD shall prepare PAR/ PTR/ICS for signature of the accountable official/employee to whom the equipment or semi-

expendable property has been issued for official use. The accountable official/employee concerned must submit the duly signed PAR/ PTR/ICS effecting the issuance immediately upon delivery of said items into their custody.

4. Any requisitioned/ allocated item(s) claimed by/ delivered to a Requisitioning Office (be it in the National Office, or the Regional or District Offices) ***may be re- issued by the Head of Office only to another official or employee within the same Office where the item(s) is/are located.***

5. Accountable officials/ employees should always be aware of their property responsibilities by checking with the *PMCS- PropD* in the National Office, and the *AHRMD* in the Regional Office and *AdminU* in the Revenue District Office the status of their accountabilities.

6. All accountable properties returned to the PropD/AHRMD for re-issuance/disposal must be covered by a corresponding RPA.

7. All transferred properties shall be recorded in the accounting books of the receiving unit through a Journal Entry Voucher (JEV), copy furnished the issuing unit which shall drop the subject properties from its books.

IV. PROCEDURES

1. *Requisition for accountable Property- (Items available/ allocated)*

   1.1. The Head of the Requisitioning Office in the National Office and Regional Office shall submit to the WDS- PropD the RIS to request for the issuance of furniture, equipment or semi- expendable property to his/ her office. The RIS shall be prepared.

   1.2. All requisitions of the Regional Office/ Revenue District Office should be approved by the Regional Director or his Assistant Director and then forward approved RIS to the PropD.

2. *Issuance of Requisitioned/ Allocated Accountable Property(ies) to:*

   2.1. National Office

      2.1.1. The PropD upon receipt of RIS or approved allocation of furniture, equipment, and/ or semi- expendable property, shall prepare the appropriate PAR/ICS to reflect the issuance of the items to the Head of Office. The ICS shall be distributed as follows:

Original - Supply and/or Property Division/Unit file
Copy 2 - Recipient or end-user of the inventory

2.1.2. After the preparation of the PAR/ICS, the PropD shall prepare the items and shall then officially notify the Head of Office that the requisitioned/ allocated items are ready for pick- up.

2.1.3. The Head of Office shall have the authority to receive requisitioned/ allocated items of furniture, equipment, vehicle, and other semi- expendable properties and to sign the appropriate PAR/ICS corresponding to such items. In the absence of the Head of Office, his/ her Assistant shall be the alternative signatory who shall receive such items, and to sign the corresponding PAR/ICS.

2.2. Regional Office

2.2.1. Any furniture, equipment, or semi- expendable property issued by National Office to the Regional Office/Revenue District Office must be duly accounted for in the appropriate PTR.

2.2.2. The PropD, upon receipt of RIS or approved allocation of accountable property shall prepare the appropriate PTR and Transit Invoice to reflect the issuance/ shipment/ delivery of the requested/ allocated items to the Head of Office. The PTR and Transit Invoice shall be prepared and distributed as follows:

A. PTR

Original - Chief Accountant or Head of Accounting Division/Unit
Copy 2 - Recipient or user of the property
Copy 3 - Transferring agency/entity or user/officer
Copy 4 - Supply and/or Property Division/Unit file

B. Transit Invoice

Original - Supply and/or Property Division/Unit file
Copy 2 - Recipient or user of the property

2.2.3. The PropD shall:

a. Prepare the items
b. Determine the date of shipment/transport of the item(s), and

c. Mail original copy of the corresponding PTR together with the original and second copies of Transit Invoice to the Regional Office/Revenue District Office concerned.

2.2.4. The PropD shall then notify the Regional Director/ Revenue District Officer concerned of the scheduled pick- up date of the requisitioned item(s) by the official Freight Forwarder.

2.2.5. Upon pick- up of the requisitioned/ allocated item(s) by the Freight Forwarder, the PropD shall provide the Forwarder with a copy of the corresponding PTR and Transit Invoice.

2.2.6. The requisitioned/ allocated item(s) shall be delivered to the Regional Office/Revenue District Office concerned. The Freight Forwarder shall present to the Regional Director/ Revenue District Officer the corresponding PTR and Transit Invoice.

2.2.7. The Regional Director/ Revenue District Officer shall receive and inspect the delivered item(s), to counter- check the same against the specifications provided by the PropD in the PTR and Transit Invoice.

If the item(s) is/ are found to conform with the specification(s) provided, the Regional Director/ Revenue District Officer shall acknowledge his/ her receipt of the item(s) concerned by signing the PTR and Transit Invoice and return the same to the Freight Forwarder.

In the event that the Regional Director/ Revenue District Officer is not available to sign the PTR and Transit Invoice, the next responsible officer in rank shall sign for the item(s) being delivered. The delegation of authority to sign for the receipt of the requisitioned/ allocated item(s) shall be as follows:

RECEIVING OFFICIAL	**ALTERNATIVE SIGNATORY**
Regional Director	1. Asst. Regional Director 2. Chief, AHRMD 3. Asst. Chief, AHRMD
Revenue District Officer	1. Asst. Revenue District Officer 2. Chief, Administrative Unit

In such cases, the alternative signatory who shall receive the Item(s) on behalf of the absent Receiving Official, shall

indicate the following information on the Transit Invoice and photocopy of the PTR

a. Complete name, in print, and signature;
b. Complete designation; and
c. BIR Identification Card Number.

The Freight Forwarder shall then present the signed copies of PTR and Transit Invoice to the PropD, as proof of delivery of requisitioned/ allocated item(s).

2.2.8. The Regional Director/ Revenue District Officer (or his/ her alternative signatory) concerned shall then sign all copies of the PTR and Transit Invoice mailed by the PropD covering the shipment/ transport of the requisitioned item(s). The copies must then be distributed in accordance with the distribution scheme specified in Item 2.2.2.

3. *Transfer of Accountable Property*

3.1. For Newly Requisitioned/ Allocated Items

3.1.1. In the event that a requisitioned/ allocated item is re- issued by a Head of Office to his/ her subordinate, an appropriate PAR must be prepared to reflect such turnover to the ultimate end-user.

3.2. For Items Being Turned Over by Resigning/ Retiring/ Transferring Accountable Officials/Employees

3.2.1. Any official or employee who is resigning/ retiring from the revenue service, must turn-over all accountable properties in his/ her possessions to his/ her Head of Office.

3.2.2. Retiring/ Resigning Head of Office shall turn-over all accountable properties in their possession to his/ her Successor/ Assistant. Such turnover shall be witnessed by the Chief, PropD/AHRMD or his/ her representative.

3.2.3. Any official or employee transferring to a new place of assignment shall turn- over all accountable properties in his/ her possession to the Chief, PropD/ AHRMD. However; official cellular phones and SIM card issued to the transferring official can be brought by him/ her to his/ her new place of assignment except for officials transferring to Technical Assistant position or higher/ lower designations.

Officials who brought with them their official cellular phone shall inform, at least one (1) day before their official transfer,

the Chief, PropD/Chief, AHRMD of their intent to bring the cellular phone and shall pay all the unpaid balances in excess of the subscription plan directly to the service provider before leaving their former place of assignment.

The PropD/AHRMD shall provide a copy of the PAR for the cellular phone issued to said official, to their counterparts having jurisdiction of the office to which he is being transferred to for monitoring purposes.

Distribution of copies of said PAR shall be similar to that under Section 3.2.4.

3.2.4. Turnover of accountable properties by a resigning/retiring/ transferring revenue official/ employee, to another shall be fully documented through the preparation of the TPA. A copy of the same shall be forwarded to the PropD/AHRMD for cancellation of such accountabilities. A corresponding PAR shall then be issued by the PropD/AHRMD to the recipient. Moreover, if the accountable property being turned over was issued by the National Office to the Regional Office, the Chief, AHRMD shall furnish the Chief, PropD, with a copy of the TPA/PAR. The TPA shall be signed by the individual transferring the property and the recipient of said property. The TPA and PAR shall be distributed as follows:

<u>For personnel in the National Office:</u>

PAR and TPA

Original - Supply and/or Property Division/Unit file
Copy 2 - Recipient or user of the property

<u>For personnel in the Regional Office:</u>

PAR and TPA

Original - Supply and/or Property Unit file, AHRMD
Copy 2 - Recipient or user of the property

3.2.5. Photocopies of the PAR/TPA bearing the signature of the official to whom the items concerned have been turned over, and the imprint "*RECEIVED*" of the PropD, shall form part of the documentary requirements for the release of the appropriate National Office or Regional Office Clearance of the transferring/ retiring/ resigning personnel. <u>*No Clearance shall be released unless such documents can be presented to the PropD by the Official/ Employee concerned.*</u>

4. Returned Accountable Property by an Accountable Official/Employee

4.1 *For Serviceable/Unserviceable Accountable Property returned by the Accountable Official/Employee.*

4.1.1 In the event that the accountable property is no longer needed by the accountable official, beyond economic repair or is being returned by a resigning/ retiring/ transferring revenue official/ employee, an appropriate RPA must be prepared by said official to reflect such return to the PropD/AHRMD. The PropD/AHRMD shall issue an RRI to the same official/employee to evidence cancellation of his/her property accountability. It shall be distributed in two (2) copies, as follows:

Original - Supply and/or Property Division/Unit file
Copy 2 - Recipient or user of the property

5. Maintenance, Control, & Reconciliation of Records of Property Accountabilities

The PMCS of the PropD is responsible for the maintenance and control of all properties in the National and Regional Offices except items purchased in the regional offices. For this purpose, the section should keep a file record of all accountable properties in accordance with the following procedures:

5.1. *Control of Record of Accountable Properties*

5.1.1. All equipment, furniture, and semi- expendable properties shall be numbered upon receipt by the PropD;

5.1.2. The PropD upon receipt of the PAR/TPA/RPA shall keep this in their file. The number affixed in each property will serve as the identity of such property in the PAR, TPA, RPA and the Annual Physical Inventory of Equipment. Upon receipt of said property, all offices, or accountable officials should see to it that the accountable property under their responsibility are properly numbered and said number should be conspicuously printed on it. If not, they should take the initiative that such properties are numbered before reporting them in the Annual Physical Inventory of Equipment.

5.1.3. The AHRMD in the Regional Office shall likewise keep a similar file of all accountable properties received from the National Office and those procured in the region.

5.2. *Control of Receipt of Property Accountability*

5.2.1. Receipt for property accountability shall be reflected in the PAR/ TPA/ RPA, which is required of all accountable officials/employees. These are filed at the PMCS- PropD alphabetically and by offices for control purposes. The section also keeps Property Card for each class of equipment to record the acquisition, issue, transfer, disposal and description/ information about the equipment based on the source document of the transaction *(Appendix 69, GAM, Vol. II)*. The section updates these files every time there is a transfer of property accountability.

5.2.2. In order to facilitate the issuance of property clearance, all accountable officials/employees should constantly check with the PMCS- PropD their property accountabilities and should not wait until they are about to resign or retire before doing so.

5.2.3 PAR issued shall be renewed every January of the third year after issue of the item concerned. All Bureau offices are enjoined to maintain an official Logbook of all items received by the officials and employees of the office concerned, which Logbook must contain all pertinent information stated in the corresponding PAR of each item.

5.3. *Reconciliation of Property Accountability*

5.3.1. In order to ensure that the record of property accountabilities filed at the PMCS- PropD tallies with the actual items in the accountability of revenue officials and employees, all Regional Offices shall furnish the PMCS- PropD with the original copy of subsequent turnover of vehicles, equipment and furniture of accountable official/employee upon resignation, retirement, and transfer from one office to another.

5.3.2. In cases of vehicles, equipment and furniture that were disposed in the Regional Offices, the PMCS-PropD, Accounting Division, and AHRMD should be furnished with a complete copy of the Inventory and Inspection Report for Unserviceable Property and other supporting documents. The documents submitted will serve as the basis in updating records of the PMCS- PropD and the Accounting Division.

V. REPEALING CLAUSE

This Revenue Memorandum Order supersedes all other existing issuances or portions thereof which are inconsistent with this Order.

VI. EFFECTIVITY

This Order shall take effect immediately.

(Original Signed)
KIM S. JACINTO- HENARES
Commissioner of Internal Revenue

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