



**Republic of the Philippines**  
**Department of Environment and Natural Resources**  
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**MEMORANDUM**

**FOR/TO** : All Head of Offices  
DENR-Wide (Bureaus, Regions & PENROs) **27 JUL 2021**

**FROM** : The Undersecretary  
Legal, Administration, Human Resources and Legislative Affairs

**SUBJECT** : **Implementation of the COA Circular 2020-006 “Conduct of Physical Count of Property, Plant and Equipment (PPE), Recognition of PPE Items, Found in the Station and Disposition of Non-existing/Missing PPE items, for the One-Time Cleansing of PPE Account Balances of the Government Agencies”**

In line with the guidelines issued related to the above stated subject under Commission on Audit (COA) Circular No. 2020-006 dated January 31, 2020 and prior to the conduct of Physical Count of PPE by an DENR/Bureau/Regional/PENRO Inventory Committee to be created for the purpose, the necessary preparatory activities must be done as follows:

1. All DENR Offices shall submit updated name/s of their duly designated property custodians to the Property/Supply Division/Section/Unit for the orientation on the conduct of initial inventory on their respective offices;
2. All officials and employees are hereby requested to bring and present all PPE issued to them to their respective designated property custodians during the conduct of the physical count by the latter. Failure to present PPE issued to the former shall be required for the submission of a request for a relief of property accountability following the standard procedures as per *COA memorandum No. 92-751 dated February 24, 1992 and Government Accounting Manual Sec.41- Loss of Property* using form (Appendix 75).
3. All designated property custodians shall conduct a physical count of all the PPEs in their respective offices based on the Report of Physical Count of Property Plant and Equipment (RPCPPE) as of December 31, 2020 not later than July 30, 2021 using the Report on the Physical Count of Property, Plant and Equipment (RPCPPE) - Appendix 73 attached;
4. All designated Custodians per Office shall submit a RPCPPE of their respective offices based on the RPCPPE as of December 31, 2020 to the Property/Supply Division/Section/Unit on or before July 30, 2021 for updating of its RPCPPE for CY 2020;

5. The Property/Supply Division/Section/Unit shall submit the updated RPCPPE to the Accounting Division/Section/Unit on or before August 16, 2021 for comparison of Property Plant and Equipment Ledger Cards (PPELCs) and RPCPPE;
6. Accounting Division/Section/Unit and Property/Supply Division/Section/Unit shall conduct the preliminary activities prior to the conduct of inventory taking in accordance with section 6.1 of the Circular in preparing a lists of PPE items which are recorded in the PPELCs but not included in in the updated RPCPPE as well as PPE items which are included in the updated RPCPPE but not recorded in the PPELCs. These lists shall be submitted to the DENR/Bureau/Regional/PENRO Inventory Committee and to be considered as inventory working papers and shall be used by the DENR/Bureau/Regional/PENRO Inventory Committee as basis in preparing the Physical Inventory Plan (PIP).

For information and strict compliance.

  
ATTY. ERNESTO D. ADOBO, JR. *CESO I*

  