



**MEMORANDUM**

**TO :** ALL BUREAU DIRECTORS  
ALL REGIONAL EXECUTIVE DIRECTORS

**FROM :** THE UNDERSECRETARY  
Legal, Administration, Human Resources and Legislative Affairs

**SUBJECT :** POLICY GUIDELINES ON THE ADOPTION OF STANDARD  
ESTIMATED USEFUL LIFE OF SEMI-EXPENDABLE PROPERTY

**DATE :** OCT 10 2022

This refers to COA Circular No. 2022-004 dated May 31, 2022 entitled "Guidelines on the Implementation of Section 23 of the General Provisions of Republic Act (RA) No. 11639 also known as the General Appropriations Act (GAA) for Fiscal Year (FY) 2022 relative to the increase in the increase in the capitalization threshold from P15,000.000 to P50,000.00".

Section 4.12 of COA Circular No. 2022-004 stated the following:

1. The agency shall determine/provide the estimated useful life of each semi-expendable property, subject to post audit of COA auditors concerned;
2. The agency shall issue an updated policy/memorandum determining/providing the estimated useful life, as necessary.

Section 4.13 provides that the range of estimated useful life per class is provided as follows:

1. Semi-Expendable Machinery and Equipment - 5 to 15 years
2. Semi-Expendable Furniture, Fixtures and Books - 2 to 15 years.

The agency shall prepare the specific estimated life for each semi-expendable property based on its experience for each semi-expendable property based on the life of its asset, copy furnished the COA auditors.

In compliance with the abovesited provisions and the DENR's experience on the life of its assets, Semi-Expendable Property of the DENR are hereby classified as follows:

- |                   |   |  |
|-------------------|---|--|
| Low-valued items  | - | Php5,000.00 and below                      |
| High-valued items | - | Above Php5,000.00 but below Php 50,0000.00 |

The Estimated Useful Life of Semi-Expendable Property of DENR is contained in the table attached as Annex "A".

For strict compliance.

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

## DENR ESTIMATED USEFUL LIFE OF SEMI-EXPENDABLE PROPERTY BY CLASSIFICATION

SEMI-EXPENDABLE PROPERTY (SP) DESCRIPTION	No. Est. useful life (YEARS)	REMARKS
<b>1. SP Machinery and Equipment</b>		
<b>a) <u>SP Machinery</u></b>		
▪ Low-valued items ( $\leq$ P 5,000.00)	2	
▪ High-valued items $>$ P5,000.00 but $<$ P 50,000.00)	5	
<b>b) <u>SP Office Equipment</u></b>		
▪ Low-valued items ( $\leq$ P 5,000.00)	2	
▪ High-valued items ( $>$ P5,000.00 but $<$ P 50,000.00)	5	
<b>c) <u>SP Information and Technology Equipment</u></b>		
▪ Low-valued items ( $\leq$ P 5,000.00)	3	
▪ High-valued items ( $>$ P5,000.00 but $<$ P 50,000.00)	5	
<b>d) <u>SP Agricultural and Forestry Equipment</u></b>		
▪ Low-valued items ( $\leq$ P 5,000.00)	3	
▪ High-valued items ( $>$ P5,000.00 but $<$ P 50,000.00)	5	
<b>e) <u>SP Marine and Fishery Equipment</u></b>		
▪ Low-valued items ( $\leq$ P 5,000.00)	3	
▪ High-valued items ( $>$ P5,000.00 but $<$ P 50,000.00)	5	
<b>f) <u>SP Communication Equipment</u></b>		
▪ Low-valued items ( $\leq$ P 5,000.00)	2	
▪ High-valued items ( $>$ P5,000.00 but $<$ P 50,000.00)	5	
<b>g) <u>SP Construction and heavy Equipment</u></b>		
▪ Low-valued items ( $\leq$ P 5,000.00)	3	
▪ High-valued items ( $>$ P5,000.00 but $<$ P 50,000.00)	7	
<b>h) <u>SP Disaster Response Rescue Equipment</u></b>		
▪ Low-valued items ( $\leq$ P 5,000.00)	3	
▪ High-valued items ( $>$ P5,000.00 but $<$ P 50,000.00)	5	
<b>i) <u>SP Military, Police and Security Equipment (Guns)</u></b>		
▪ Low-valued items ( $\leq$ P 5,000.00)	5	
▪ High-valued items ( $>$ P5,000.00 but $<$ P 50,000.00)	7	
<b>j) <u>SP Medical Equipment</u></b>		
▪ Low-valued items ( $\leq$ P 5,000.00)	3	
▪ High-valued items ( $>$ P5,000.00 but $<$ P 50,000.00)	7	
<b>k) <u>SP Printing Equipment</u></b>		
▪ Low-valued items ( $\leq$ P 5,000.00)	3	

▪ High-valued items (> P5,000.00 but < P 50,000.00)	5	
<b>l) <u>SP Sports Equipment</u></b>		
▪ Low-valued items (< P 5,000.00)	3	
▪ High-valued items (> P5,000.00 but < P 50,000.00)	5	
<b>m) <u>SP Technical and Scientific Equipment</u></b>		
▪ Low-valued items (< P 5,000.00)	3	
▪ High-valued items (> P5,000.00 but < P 50,000.00)	7	
<b>n) <u>SP Other Machinery and Equipment</u></b>		
▪ Low-valued items (< P 5,000.00)	3	
▪ High-valued items (> P5,000.00 but < P 50,000.00)	5	
<b>2. SP Furniture, Fixtures and Books</b>		
<b>a) <u>SP Furniture and Fixtures</u></b>		
▪ Low-valued items (< P 5,000.00)	3	
▪ High-valued items (> P5,000.00 but < P 50,000.00)		
○ Compact board furniture	3	
○ Imported laminated wood furniture	5	
○ Ply wood and solid wood furniture	7	
○ Solid hard wood furniture	10	
<b>b) <u>SP Books</u></b>		
▪ Low-valued items (< P 5,000.00)	2	
▪ High-valued items (> P5,000.00 but < P 50,000.00)	5	
		<i>Note: Books includes ecopy in DVD or CD form for official use in government service</i>
<b>3. SP Other Property Plant and Equipment</b>		
<b>a) <u>SP Work/Zoo Animals</u></b>		
▪ Low-valued items (< P 5,000.00)	3	
▪ High-valued items (> P5,000.00 but < P 50,000.00)	5	
<b>b) <u>SP Other Property Plant and Equipment</u></b>		
▪ Low-valued items (< P 5,000.00)	3	
▪ High-valued items (> P5,000.00 but < P 50,000.00)	5	

APPROVED:

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

Legal, Administration, Human Resources and Legislative Affairs