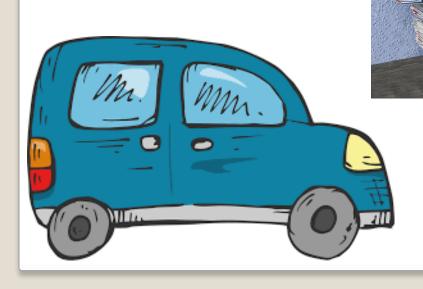




## DISPOSAL



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### **DISPOSAL/DISPOSITION**

End of the life cycle of government property



Reasons for disposal

 Avoid continuing carrying inventory costs

Prevent further deterioration

 Obtain fair return in case of sale

- Relieve accountable officers of unnecessary accountability
- Make available space PAGBA by for the agency FORMER COA DIR. BESAS

# Determining Factors in the Disposal of Unserviceable Property

- > can no longer be repaired or reconditioned;
- maintenance costs/costs of repair is more than or outweighs the benefits and services that will be derived from its continued use;
- obsolete or outmoded because of changes in technology;



# Determining Factors in the Disposal of Unserviceable Property

- > unnecessary due to change in the agency's function or mandate;
- > unused supplies, materials and spare parts that were procured in excess of requirements; and
- unused supplies and materials that has become dangerous to use because of long storage or use of which is determined to be hazardous.



# Property/Assets Subject to Disposal

- 1. Unserviceable property
- Confiscated/seized property
- Property under distraint/ levy/garnishment
- 4. Unclaimed motor vehicles
- 5. Real property
- 6. Valueless records/document

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#### **Unserviceable Property**

Pursuant to Sec. 79 of PD 1445 "When government property has become unserviceable for any cause or no longer needed, it shall, upon application of the officer accountable therefore, be inspected by the head of the agency of his duly authorized representative x x x."

# **Unserviceable Property**

In the event that public auction fails, the property may be sold at a private sale at such prices as may be fixed by the same committee or body

concerned. x x x."

**Confiscated/Seized Property** 

- Are those which come into the possession of the government as a resu ofthe implementation, enforcement of laws and regulations.

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# Confiscated/Seized Property **Examples:**

-timber and other forest products
-Property in customs custody
-narcotics and dangerous dangerous

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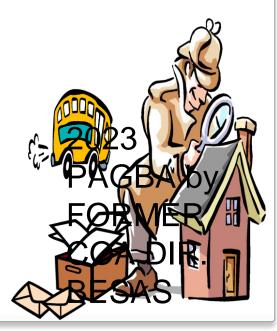
Property under Distraint/Levy/Garnishment

Refers to the personal or real property of a taxpayer forfeited to the government for failure to pay taxes

#### **Unclaimed Motor Vehicles**

-recovered stolen motor vehicles by the different law enforcement agencies of the government.

-the absence of claimants and that the real owners can no longer be determined those recovered vehicles remained unclaimed.



#### **Real Property**

-DPWH
-DENR
Administrative
Code of 1987
-BP223 dated
September 12,
1982

**Real Property** 

-RA No. 477
dated September
12, 1982
-DBM-DENRDPWH JC No. 1
dated September
30, 1989

2023

## Valueless Records/Documents

- All record materials that have reached their prescribed retention periods and loss their usefulness to the agency or the government as a whole



## Valueless Records/Documents

### **Examples:**

- Paper

- Books, photographs, motion picture film

- Microfilm

- Sound recording

- Drawing

- maps



# Guidelines in Observing Conditions of Property

- Very Good (VG), 80-100% being used to its fully specified purpose w/o being modified
- <u>Good</u> (G), 55-75% being used near its fully specified utilization, with minor repair
  - Fair (F), 35-50% below its fully specified utilization, requires general repair / replacement of minor parts

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# **Guidelines in Observing Conditions of Property**

• <u>Poor</u> (P), 15-30% - below its fully specified utilization, needs extensive repair/replacement of major components

• Scrap (S), 0-10% unserviceable / cannot be utilized to any practical degree regardless of modification or repair

(CF of Missing Property PAGBA by FORMER COA DIR. BESAS

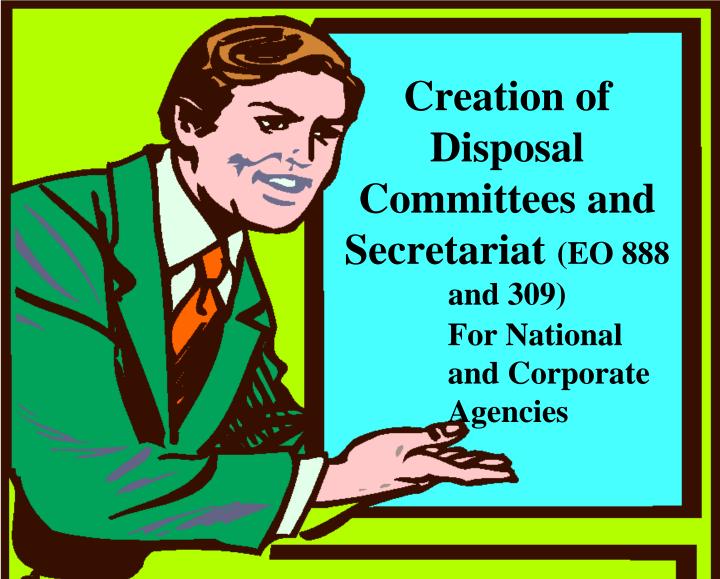
## Guidelines on Disposal of Assets

- 1.Create a Disposal Committee
- 2.Furnish documents to COA Auditor at least 5 days before the scheduled bidding
- 3.Advertise by printed notice for not less than 3 consecutive days in any newspaper or posting in like period in 3 prominent public places in the locality
- 4. Prequalify the bidders
- 5.Constitute the BAC on disposal to conduct the public bidding





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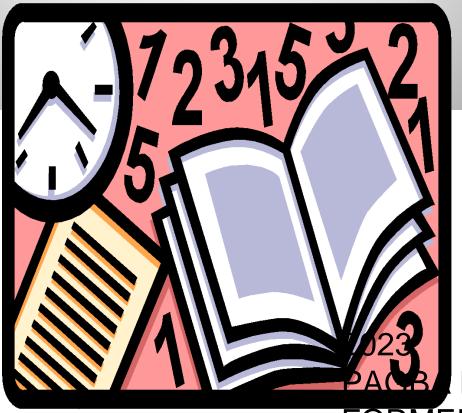
Chairman -- not lower than Assistant
Secretary for a department and Assistant
Director for a bureau/agency
Members

- Head of Administrative Unit;
- Head of Property Unit

**2023 PAGBA** 

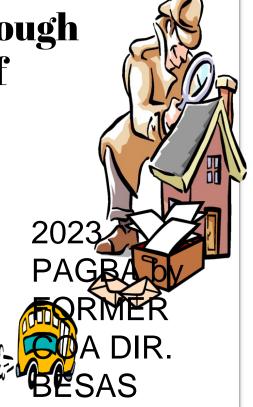
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## Documentation



Submission of Documents
Pertinent to the Disposal of
Unserviceable Property

Accountable officials in possessions of unserviceable property shall submit to the Disposal Committee through their respective heads of offices, the following accomplished forms, as appropriate:



 Inventory and Inspection Report of **Unserviceable Property (IIRUP) for** semi-expendable materials and equipment and expandable supplies, accompanied by any of following, the whichever is appropriate:

Individual survey
 report, duly certified
 by the Supply Officer
 and Head of Agency 202

 List of missing spare parts duly certified by the Supply Officer and Head of Agency

Stencils of chassis and engine numbers of motor vehicles, and

 Current photographs in two position.

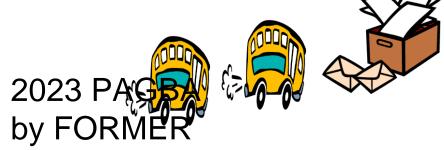


Waste Materials Report [WMR] for expendable materials, supplies and consumable including spare part, empty containers, and remnants from destroyed Or fixed damaged assets.

Invoice – Receipt of Property [IRP or GF No. 30-A] for government property transferred from another agency which has become unserviceable, and duly recommended for disposal by the Head of the Agency.

#### Other Forms/Documents

- Checklist for Unserviceable Equipment.
  - This shall indicate the individual component/part of the equipment with their condition, whether serviceable, unserviceable, unserviceable, missing, etc. The agency could device their own form most appropriate to the equipment for appraisal.



#### CHECKLIST FOR UNSERVICEABLE EQUIPMENT: VEHICLES/HEAVY FOUIPMENT

Equipment Description/Type Mitsubis	shi L-200 Prop. No. <u>Plate No. UFC - 9</u>	63
Unit Serial No. <u>K14TJUNSL-010751</u>	Engine Serial No. <u>4D56-D5940</u>	
Acquisition Cost P 495,000.00	Date <u>December 16, 1995</u>	
Date Reported as Unserviceable		
LEGEND:		
S = Serviceable	X = Unserviceable	
M = Missing	NA = Not Applicable	
ENGINE:	SUSPENSIONS:	
Operating Conditions	FrontSpringAssembly	s
Injection Pump Assembly s	Rear SpringAssembly	S
Injection/Nozzle Assy. s		
Fuel Pump Assembly s	WHEELS:	
Cylinder Head Assemblys		
Water Pump Assembly <u>s</u>	Tires Front	<u>S</u>
Radiator Assembly s	Tires Rear	S
Air Cleaner Assembly s	Spare Tire	<u> </u>
Carburetor Assembly NA		
Governor Assembly NA	PROPELLER SHAFT ASS	<b>Y</b> .:
Turbo Charger <u>NA</u>		
Oil Cooler Assembly NA	Front	NA
No. of Cylinders 4	Rear	<u>s</u>
ELECTRICAL	DIFFERENTIAL ASSY.:	
Generator/Alterator	Front	NA
Assembly <u>s</u>	Rear	S
Starter Assembly s		
Voltage Regulator Assys	FINAL DRIVE	
Solenoid Assembly NA		
Ignition Coil Assy. NA	Sprocket Assembly	NA
Magneto <u>NA</u>	Drive Chain	NA
Distributor Assembly 2023 P	AGBA ercarriages:	
	RMER	
Headlight Assembly	Track Link Assembly	NA

Directional Light Assy.		Track Adjuster Assy.	NA
(front & rear)	S	Track Roller Assy.	NA
Battery	S	Carrier Roller Assy.	NA
CLUTCH ASSEMBLY	S	TORQUE CONVERTER	NA
CUSHIONS:		BODY/CAB/FENDERS	S
Front Seat	S	_	
Rear Seat	S	WINDSHIELD (Front)	S
Operator's Seat	S	FUEL TANK ASSEMBLY	NA
GAUGES:		HYDRAULIC SYSTEM:	
Hour/Service Meter	NA	Hydraulic Pump Assembl_	NA
Speedometer	S	Hydraulic Motor Assembl	NA
Tachometer	NA	Hydraulic Hoses	NA
Temperature Gauges		Control Valve Assembly	NA
(water)	S	Hydraulic Cylinders	NA
Oil Pressure Gauges	S	_	
Converter oil Temperatur	e	TRANSMISSION ASSEMB_	
Gauges	NA	_	
		TRANSFERCASE ASSEM!	
BRAKE SYSTEM:		WINDSHIELD (rear)	S
Master Cylinder Assembly	S	FUEL TANK ASSEMBLY	S
		_	
STEERING SYSTEM:			
Power Steering System	S		
Steering Clutch Assembly	with Dis	c Plate & Brake Lining	S
ACCESSORIES:			
Dozer/Blade Assembly	NA	Riper Assembly	NA
Cutting Edges	NA	End Bits	NA
Dragline Bucket	NA	Clamshell Bucket	NA
Backhoe Bucket	NA	Ditching Bucket	NA
Fairlead assembly		Tagline Assembly	
(for crane)	NA	(for crane)	NA
Compressor	20 <del>2</del> 3	PAGBA <sup>es</sup> -	NA
Boom Assembly	NA	Boom Pulley	NA
Lifting Block	UYNATC	PRMERers =	NA

_		_		_		-				
F	REMARKS:									
	Fuel Injection Assy - for minor overhaul									
	Left Rear Side & Rear Bumper - with dents and scratches									
	Body of unit needs pai wash-over	ls paint								
	Odometer Reading = 69,000 kms									
			Inspected by:							
			JUAN DELA CRUZ							
				(NAME)						
					Sr. TAS					
	2023	B	F	<b>P</b> /	\GB⁄	<b>T</b> SIC	GN	ATION	)	

by FORMER

### **MODES OF DISPOSAL**

- 1. Condemnation/destruction of Property
- 2. Transfer of Property
- 3. Barter
- 4. Donation of Property
- 5. Sale of Unserviceable Property

Sale thru Public Bidding

2023

PAG

Sale thru Negotiated
 Sale

# 1. Condemnation/Destruction of Property

Through pounding, burning, breaking, shredding, throwing or any other method by which the property is disposed beyond economic recovery. Destruction shall be made in the presence of the Disposal Committee.



- 1. Condemnation/Destruction of Property
- resorted to only under any of the following instances:
- a.when the unserviceable property:
  - has no commercial value,
  - **≻is unsalable,**
  - **>is hazardous, or**
  - ➤ Is beyond economic repair;

1. Condemnation/Destruction of Property

b.when there is no willing receiver; or

c. when the appraised value is less than the administrative cost of sale.

#### 2. Transfer of Property

Upon initiative of owning agency or submission of request to owning agency, this nay be done either with or without cost. Cost herein refers to payment based on the appraised value of the property.

#### 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.

#### 4. Donation of Property

May be to charitable, scientific, educational, or cultural institutions.



## 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.

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# Situations/Cases for viva voce:

a. those involving disposable property of insignificant value or such nature that requires immediate disposal

b. those involving waste materials and/or spare parts of insignificant value 202

 Sale thru negotiated sale is resorted to as a consequence of failed bidding.



1.Once supplies/property becomes unserviceable from any cause or are no longer needed, the officer immediately accountable therefore shall return the same to the Property Officer/ equivalent position concerned.





The Property Officer/equivalent position shall file an application for disposal with the appropriate documents to the COA Auditor.



The COA Auditor shall inspect the items and determine whether the items are with or without value and forwards his/her recommendation to the Head of the Agency.



The Head of the Agency shall forward the documents to the Disposal Committee.



The Disposal Committee shall recommend to the Head of the Agency the mode of disposal as appropriate and deemed most advantageous to the government.

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If found to be valuable the unserviceable property may be sold at the public auction to the highest bidder under the supervision of the proper Committee on Award or similar body.

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The awardee shall pay, claim and withdraw the property.



Upon disposal of property: a. accomplish, whichever is applicable, pertinent portions of the-

1. Inventory and Inspection Report of Unserviceable Property,

2. Waste Materials Report

3. Invoice-Receipt for Property



INVENTORY AND INSPECTION REPORT OF UNSERVICEABLE PROPERTY (IIRUP)— shall be used as basis to record dropping from the books the unserviceable properties carried in the Property, Plant and Equipment accounts.







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			TN	IXZENI	TODY	AND INC	PECTION	DEDOD	COE LINE	EDVI	CEADI	E DD OD	EDTY					
			11	V EIV	IOKI	AND INSI		KEFUK	I OF UNS	EKVI	CEADI	LE PROP	EKII					
									l									
Entity N	iame:													Fund Clu	ster :			
	(Name of Account	able Officer)			(1	Designation)				(Sta	tion)							
				IN	VENTORY	7						IN	SPECTION	and DISP	OSAL			
							Accumulate					DISPOSA	L			RECORD	OF SA	LES
Date Acquire d	Particulars/ Articles	Property No.	Qty	Unit Cost	Total Cost	Accumulate d Depreciation	d Impairment Losses	Carrying Amount	Remarks	Sale	Transfer	Destruction	Others (Specify)	Total	Appraise d Value	OR No.	Amo	ount
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(13	8)
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	(Designation of	Accountable (	Officer)			(Designatio	n of Authorize	d Official)				ZU.	<b>∠</b> ∪					$\dashv$
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# INVENTORY AND INSPECTION REPORT OF UNSERVICEABLE SEMI-EXPENDABLE PROPERTY (IIRUSEP) - shall be used to account for all unserviceable semi-expendable property of an entity which is subject to disposal.







4	nnex	4	10

#### INVENTORY AND INSPECTION REPORT OF UNSERVICEABLE SEMI-EXPENDABLE PROPERTY

Entity Name:													Fund Cl	uster:		
a	(Name of Accountable Officer) (Designa						0	(Station)								
INVENTORY											IN	SPECTION	and DISP	OSAL		
		Semi-		Unit Cost		Accumulated Impairment Losses	Carrying Amount				DISPOSA	L			RECORD OF SALES	
Date Acquired	Particulars/ Articles	expendable Property No.	Qty					Remarks	Sale	Transfer	Destruction	Others (Specify)	Total	Appraised Value	OR No.	Amount
(1)	(2)	(3)	(4)	(5)	(6)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
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_						-			1							
					-											
enumerate	BY request insp d above. uested by:	pection and disp	oosition,		Approve		No. 1445, o	f the property	and ever report, thereof	ery article and that the	at I have instended in a disposition of the disposi	in this n made		witnessed articles er	TIFY that I I the disposit numerated of sday of,	ition of the
(Signature over Printed Name of Accountable Officer)							-	(Signature over Printed Name of Inspection Officer) (Signature over Printed Name of Of Witness)								
	(Designation of	Accountable (	Officer)	-				-				$\Omega$	2			
											Z	UZ	J			

PAGBA by FORMER COA DIR. BESAS WASTE MATERIAL REPORT (WMR)- shall be used to report all waste materials such as destroyed spare parts and other materials considered scrap due to replacement.



Ap	penaix	0.

#### WASTE MATERIALS REPORT

Entity Na	ıme :			Fund Cluster:							
lace of S	torage:			Date :							
TEMS I	OR DISPOSAL	ı									
					Record of Sales	i					
Item	Quantity	Unit	Description		Official Receipt	Official Receipt					
				No.	Date	Amount					
1											
2											
3											
4											
5											
6											
7											
8											
9											
10											
			TOTAL								
Certified (	Correct :	•		al Approved :	•						
			•	••							
	Signature over	Printed Name of	Supply	Signatu	ure over Printed Nam	e of Head of					
	and/or P	roperty Custodian	1	Agency/Entir	ty or his/her Authoriz	zed Representative					
			CERTIFICATE OF INS	PECTION							
			CERTIFICATE OF INS	Letion							
T L	araby contify that	the property environ	nerated above was disposed of	os follows:							
111	lefeby certify that	the property enum	nerated above was disposed of		000						
	Item	D	estroyed	2	023						
	Item		old at private sale								
	Item		old at public auction	Р	AGBA k	)V					
	Item	T	ransferred without cost to(	Name of the Agency	<u>//Entity)</u>						
					ORMER	2					
Certified (	Correct:		Witnes	s to Disposal:		•					
					Contributed Name of	•					
	Signature over P	rinted Name of Ir	spection			<b>.</b> •					
		Officer		<u>D</u>	NESAS -						

Invoice – Receipt of Property [IRP or GF No. 30-A] for government property transferred from another agency which has become unserviceable, and duly recommended for disposal by the Head of the Agency.



#### REPUBLIC OF THE PHILIPPINES

#### INVOICE - RECEIPT FOR PROPERTY

		II.VOICE-I	KLCLII	Trokiko	LKII	Control	no:			
TRA	NSFER a	of property from OLD BALA	RA ELEI	MENTARY SCH	OOL to					
		GEOFFREY H. ECHANIS, P			_	Student's	s Name			
QTY.	UNIT	NAME AND DESCRIPTION	DATE O		CLASSIFICA TION NUMBER	UNIT VALUE	TOTAL VALUE			
					_					
					_					
			-		-					
		INVOICE			DE.	CELET				
I C	ERTIFY th	at I have this SAMSUNG TAI	RIFT	I CEPTIEV		RECEIPT  ve this SAMSUNG TABLET				
						ARA ELEMEN				
ahove		icles, property of LGU,		SCHOOL the	above listea	2023	ty of <b>LG</b> U.			
PAGRA N										
OL		RA ELEMENTARY SCHO me of Bureau or Office)	OOL	(	_	Bureau or Offi	ice)			
(0)		RLINDA D. ALBA	00"	FORMER						
(Sig	nature of	Invoicing Accountable O	mcer)	(Signature o	of Receivi		ole Officer)			
	<u>Sch</u>	ool Property Custodian (Title)		- BESAS						

#### Upon disposal of property:

b. these reports shall be the basis for dropping the property from the books of accounts and for taking up the proceeds from the sale of property.



#### **Any Question?**



