



Republic of the Philippines
DEPARTMENT OF ENERGY

DEPARTMENT ORDER NO. DO 2021-11-0019^{mw}

**“CREATION OF THE DEPARTMENT OF ENERGY (DOE)
INVENTORY COMMITTEE”**

Whereas, physical inventory-taking is an indispensable procedure for checking the integrity and custodianship of government properties.

Whereas, Commission on Audit (COA) Circular No. 80-124 dated 18 January 1980 mandates the creation of Inventory Committee, which shall take charge of the physical inventory-taking, consisting of two or more employees designated by the head of the agency including the property/administrative officer or custodian depending on the extent of his accountability;

Whereas, Section 123 of Chapter IV (Internal Control Systems) of Presidential Decree 1445 dated 11 June 1978, states that **“Internal Control is the plan of organization and all the coordinate methods and measures adopted within an organization or agency to safeguard its assets, check the accuracy and reliability of its accounting data, and encourage adherence to prescribed managerial policies.** Likewise, Section 124 states that **“It shall be the direct responsibility of the agency head to install, implement, and monitor a sound system of internal control”;**

Whereas, Section 38, Chapter 10 (Property, Plant and Equipment) of Government Accounting Manual (GAM), for National Government Agencies, Volume I, mandates that **“the entity shall have a periodic physical count of PPE, which shall be done annually and presented on the Report on the Physical Count of Property, Plant and Equipment (RPCPPE) (Appendix 71) xxx as at December 31 of each year. This shall be submitted to the Auditor concerned not later than January 31 of the following year. Equipment found at station and losses discovered during the physical count shall be reported to the Accounting Division/Unit for proper accounting/recording.”**

Now, therefore, for and in consideration of the aforementioned premises, the DOE Inventory Committee is hereby created.

Section 1. Composition. The DOE Inventory Committee shall be composed of the following:

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| Chairman | : | Division Chief – General Services Division (GSD) |
| Vice Chairman | : | Supervising Administrative Officer – GSD |
| Members | : | 1. Five (5) Members from the General Services Division – Supply and Property Section |
| | : | 2. One (1) Member and One (1) Alternate from the |

- Accounting Division
- Luzon Field Office :** 3. One (1) Member and One (1) Alternate from Information Technology Management Services
 4. Administrative Officer IV or V or its equivalent
 5. Administrative Assistant III or Administrative Aide VI
- Visayas Field Office:** 6. Administrative Officer IV or V or its equivalent
 7. Administrative Assistant III or Administrative Aide VI
- Mindanao Field Office:** 8. Administrative Officer IV or V or its equivalent
 9. Administrative Assistant III or Administrative Aide VI

Section 2. Functions. The Committee shall be responsible for the timely submission of the Calendar Year Report on the Physical Count of Property Plant and Equipment (RPCPPE). It shall supervise, monitor inventory activities and ensure that all procedures are in accordance with the existing Government Accounting Manual (GAM) Rules and Regulations. Specifically, its functions shall include the following:

1. Monitor the progress of the calendar year Annual Inventory Report and other related activities;
2. Provide weekly feedback to the Director of the Administrative Services regarding the progress of inventory and the problems encountered;
3. Monitor and sign the Report on the Physical Count of Property, Plant and Equipment (RPCPPE) whenever there is/are inventories conducted;
4. Conduct actual inspection of purchases, donations and/or transfers of PPEs of the Department;
5. Act as Head of the inspectorate Team for purchases and deliveries by and to the Department;
6. Ensure that the Calendar Year Annual Report is submitted on or before 31 January of the following year;
7. Provide supporting documents, if need be, to support the calendar year Inventory report;
8. Reviewed the correctness of data collection in congruence with GAM Rules and Regulations;
9. Issue Demand Letters to concerned personnel for settlement of unaccounted items;
10. Updated Inventory data base; and
11. Perform other tasks as may be required by the Management.

In addition, members belonging to the respective DOE Field Offices shall submit copies of documents related to the inventory and inspection. In relation to the inventory and inspection, the documents must be signed by the authorized members of the committee and the Regional Commission on Audit Auditor assigned to the said field office.

In the performance of its functions, the Inventory Committee shall be assisted by a Secretariat composed of personnel from the Accounting Division, General Services Division-Supply and Property Section and Information Technology Management Division. The Committee Chair shall monitor the overall activities of the Secretariat.

Section 3. Procedures in Inventory Taking

1. Prepare a schedule on the conduct of inventory of all offices/bureaus/services;
2. Prepare a Memorandum on the finalized schedule of inventory taking for dissemination to different offices/bureaus/services.
3. Conduct physical Inventory of the Department's equipment, furniture, materials supplies and other fixed assets;
4. Affix official property tags on all DOE owned Property, Plant and Equipment (PPE);
5. Generate the calendar year Annual Inventory Reports using as reference other official documents/records e.g. Inspection and Acceptance Report (IAR), Requisition and Issue Slip (RIS), Property Acknowledgement Receipt (PAR), Property Transfer Report (PTR), Inventory Custodian Slip (ICS), previous Annual Inventory Reports, etc.;
6. Conduct reconciliation of the Report of the Physical Count of Property, Plant and Equipment as against the Books of Accounts of the Accounting Division and make necessary adjustment before submitting for approval and endorsement to the Commission on Audit DOE Chapter.

Section 4. Separability Clause. If for any reason/s, any part of this Department Order be declared unconstitutional or invalid, no other parts or provisions hereof shall be affected thereby.

Section 5, Repealing Clause. All Department Orders, Special Orders, and other issuances inconsistent with this Department Order are hereby revoked or modified accordingly.

Section 6. Effectivity. This Department Order shall take effect immediately and shall remain in effect unless revoked or modified accordingly.

Bonifacio Global City, Taguig City NOV 24 2021


ALFONSO G. CUSI
Secretary

